

Optimum Asset Management S.A.
(“**OAM**” & “**AIFM**”)

Compliance Department

Conflict of Interest Policy

Approved by the Board of Directors of Optimum Asset Management S.A.
on 6 February 2018 and valid as from that date.

History

Version	Release Date	Description	Amended by	Reviewed by
3.0	19/10/2021	Update CSSF circular 18/698, subsection 5.5.7.1, point 379	TS	AS
2.0	05/08/2020	Update of OAM name and new format + update legal reference + adding of the General section	TS	AS
1.0	06/02/2018	Initial Version and implementation of policy	TS / AS	OAM Board

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CONFLICT OF INTEREST POLICY

The board of directors (“**Board**”) of Optimum Asset Management S.A. has approved the following Conflict of Interest Policy (“**CoI Policy**”) in respect of its activities as alternative investment fund manager according to the Luxembourg Law of 12 July 2013 and as chapter 16 Management Company according to the Luxembourg Law of 17 December 2010.

As advocated by Article 13 of the Law of 12 July 2013 on alternative investment fund managers as well as Sub-section 5.5.7.1. of CSSF Circular 18/ 698, the AIFM has drafted the CoI Policy, which has been implemented by the AIFM’s permanent compliance function.

Eventually it has been drafted by taking into account the nature, scale, and complexity of the business and the related alternative investment fund(s) (**AIFs**) managed by the AIFM (**Managed AIF(s)**).

1. CONTEXT

In accordance with the Law of 12 July 2013 on alternative investment fund managers as well as Sub-section 5.5.7.1 of CSSF Circular 18/ 698, AIFMs must take all reasonable steps to avoid conflicts of interest. When they cannot be avoided, AIFMs must implement organisational arrangements that allow them to identify, manage and monitor these conflicts of interest in order to prevent them from adversely affecting the interests of the AIFs and their investors and to ensure that the AIFs they manage are treated fairly.

Conflicts of Interest may arise in the course of managing AIFs between:

- a) the AIFM, including its managers, employees or any person directly or indirectly linked to the AIFM by control, and the Managed AIFs or the investors in that Managed AIF;
- b) the AIF or the investors in that AIF and another AIF or the investors in that AIF;
- c) the AIF or the investors in that AIF and another client/ structure of the AIFM or its managers, employees or any person directly or indirectly linked to the AIFM by control; or
- d) two clients of the AIFM.

Where organisational arrangements made by the AIFM to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors’ interests will be prevented, the AIFM must clearly disclose the general nature or sources of conflicts of interest to the investors **before** undertaking business on their behalf.

This CoI Policy is designed to set out the organizational and administrative arrangements implemented by OAM to that effect.

2. CRITERIA FOR THE IDENTIFICATION OF CONFLICTS OF INTEREST

2.1 General

For the purpose of identifying the different conflicts of interest arising in the course of its activities and particular in the course of managing the Managed AIFs, OAM will take into account the question of whether or not any Relevant Person (as defined below) or a person directly or indirectly linked to such Relevant Person is in any of the following situations:

- that person is likely to make a financial gain, or avoid a financial loss, at the expense of OAM or a Managed AIF;
- that person has an interest in the outcome of a service or an activity provided to OAM or a Managed AIF or another client or of a transaction carried out on behalf of OAM or a Managed AIF or another client, which is distinct from OAM's or a relevant Managed AIF's interest in that outcome;
- that person has a financial or other incentive to favor (i) the interest of another client or group of clients over the interests of OAM or a Managed AIF or (ii) the interest of one investor over the interest of another investor or group investor in the same Managed AIF;
- that person carries out the same activities for OAM or a Managed AIF and for another client or clients;
- that person receives or will receive from a person other than OAM or a Managed AIF an inducement in relation to the collective portfolio management or advisory activities provided to OAM or a Managed AIF, in the form of monies, goods or services, other than the standard commission or fee for that service.

2.2 Delegation of services

The criteria to assess whether a delegation of services conflicts with the interests of OAM or the investors in the Managed AIFs will at least include:

- where OAM and the delegate are members of the same group or have any other contractual relationship, the extent to which the delegate controls OAM or has the ability to influence its actions;
- where the delegate and an investor in the relevant Managed AIF are members of the same group or have any other contractual relationship, the extent to which this investor controls the delegate or has the ability to influence its actions;
- the likelihood that the delegate makes a financial gain, or avoids a financial loss, at the expense of OAM or the investors in the Managed AIFs;

- the likelihood that the delegate has an interest in the outcome of a service or an activity provided to OAM or the Managed AIFs;
- the likelihood that the delegate has a financial or other incentive to favour the interest of another client over the interests of OAM or the investors in the Managed AIFs;
- the likelihood that the delegate receives or will receive from a person other than OAM an inducement in relation to the services provided to OAM and the Managed AIFs in the form of monies, goods or services other than the standard commission or fee for that service.

3. RELEVANT PERSON

For the purpose of this CoI Policy, Relevant Person means:

- a) a director, partner or equivalent, or Conducting Officer of OAM;
- b) an employee of OAM, or any other natural person whose services are placed at the disposal and under the control of OAM and who is involved in the decision taking regarding the provision of collective portfolio management services by OAM;
- c) a natural or legal person who is directly involved in the provision of services to OAM under a delegation arrangement to third parties for the purpose of the provision of collective portfolio management by OAM.

When identifying types of conflicts of interest, OAM will consider its interests, including those deriving from its belongings to a group or from the performance of services and activities and the interests of the Managed AIFs and their investors.

4. PREVENTION OF CONFLICTS OF INTERESTS

4.1 General

The Relevant Persons will try to the maximum extent possible to avoid conflicts between them, their staff interests or the interests of any associated company or person, and their respective duties.

A Relevant Person may not take improper advantage of his/her position as a Relevant Person to gain, directly or indirectly a personal advantage or an advantage for any associated person, which might cause detriment to OAM or a Managed AIF.

Relevant Persons should seek to avoid conflicts of interest wherever possible. Full and prior disclosure of any conflict, or potential conflict, must be made to the Board. Where a Relevant Person who is a member of the Board has an actual or potential conflict, such Relevant Person should refrain from participating in the debate or voting on the matter, and in the extreme case of continuing material conflict of interest, should resign from the Board.

4.2 Exchange of information

Relevant Persons may not make improper use of information acquired by virtue of their position or disclose them, or allow it to be disclosed. This prohibition applies irrespective whether or not the Relevant Person would gain directly or indirectly a personal advantage. A Relevant Person may not disclose, or allow to be disclosed, confidential information received in the course of the exercise of his/her duties as a Relevant Person, unless that disclosure has been authorized by the Board or is required to be disclosed by law.

A Relevant Person may not disclose any information which is not publicly available and which could have a material effect on the Managed AIFs' share price and should not disclose such information to anyone who may be influenced to subscribe for, buy or sell shares or units or may advise others to do so. Such information includes, but is not limited to: a relevant Managed AIF's forecasts, borrowings, pending litigation, and significant changes in operations, or applied investment techniques.

4.3 Segregation of functions

OAM is required to ensure that Relevant Persons engaged in different business activities involving a conflict of interest, carry on those activities at a level of independence appropriate to the scope and activities of OAM and of the group to which it belongs and to the materiality of the risk of damage to the interests of the Managed AIFs and their investors. OAM ensures in particular that Relevant Persons whose principal functions involve carrying out collective portfolio management activities are subject to supervision and reporting lines distinct to those involved in other duties and functions that may be in conflict with portfolio management (in particular risk management activities). In order to ensure such segregation of functions, portfolio management and risk management are in fact supervised and performed by different Conducting Officers within OAM, who are structurally and hierarchically separated.

4.4 Remuneration

OAM has adopted a Remuneration Policy in line with the requirements of the AIFM Directive, the AIFM CDR and ESMA guidelines on sound remuneration for AIFMs.

4.5 Conflicts in the context of delegation

Where OAM appoints third parties for carrying out functions on its behalf, it will ensure that:

- a) It will take all reasonable steps to identify, manage and monitor potential conflicts of interest arising from the relationships with its delegates, particularly those arising from the relationships with administrators, depositaries or any prime broker used;

- b) The delegate takes all reasonable steps to identify, manage and monitor potential conflicts of interest that may arise between itself and OAM, the Managed AIFs or the investors therein. OAM will ensure by applying appropriate due diligence that each delegate has procedures in place comparable to those required for AIFMs under the applicable law; and
- c) The delegate has the duty discloses potential conflicts of interest as well as the procedures and measures to be adopted by it in order to manage such conflicts of interest to OAM which shall disclose them to the Managed AIFs in accordance and subject to section 5.2 below.

4.6 Conflicts in the context of investments in AIFs managed by group entities

OAM will ensure that any investment in a Managed AIF that is managed by an entity of the same group of OAM:

- is exercised in the best interest of the relevant Managed AIF, and its investors and is objectively justified by, e.g. the specific experience and expertise of the senior manager of such group entity;
- does not result in an unreasonable duplication of fees for the investors in the relevant Managed AIF;

5. MANAGING CONFLICTS

5.1 Record keeping of activities giving rise to (potential) conflicts of interest

OAM's Compliance Function will keep and regularly update a record, specific to OAM and the Managed AIFs, of the types of activities in which a conflict of interest entailing a material risk of damage to OAM's or the Managed AIFs' interests or its investors has arisen, or in the case of an ongoing activity, (potentially) may arise.

The aforementioned records shall be available for inspections by the Commission de Surveillance du Secteur Financier, the internal auditor and any investor of the Managed AIFs at the registered office of OAM during normal business hours.

5.2 Disclosure

OAM will inform the Managed AIFs and their investors where organizational arrangements made by OAM to identify, prevent, manage, monitor and mitigate conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to investors' interests are prevented. In such case, OAM will disclose the general nature or sources of conflicts of interest to the investors before undertaking business on their behalf, and will inform them of the appropriate policies and procedures developed in such circumstances;

Where OAM considers that its operating conditions may involve any other material conflict of interests, it shall disclose any such other material conflicts of interest to relevant investors of the Managed AIFs.

5.3 Escalation process

If an employee of OAM detects any new (potential) conflict of interest, which has not yet been disclosed or recorded, he/she will report it immediately to the Compliance Function, who will review and assess the issue and may request further information, if necessary to complete the assessment.

If the Compliance Function classifies the situation as a new (actual or potential) conflict of interest, it will inform the concerned management body of the relevant Managed AIF and, if required, the Board, and recommend a course of action.

The Board and the management body of the relevant Managed AIF will then take all the necessary steps in order to mitigate, manage or otherwise resolve the situation.

5.4 Relevant Persons conflict situation

Relevant Persons will ensure that they will identify potential conflicts of interest on regular basis and prior to entering into new projects and activities. Whenever any new (actual or potential) conflict of interest is identified, the Relevant Person will act in accordance with the terms of this CoI Policy and mitigate or otherwise manage such (actual or potential) conflict, taking into account the proportionality principle.

5.5 Conflicts in the context of redemptions

The Managed AIFs are typically of closed-ended nature and investors are in principle not entitled to request the redemption of their shares, as further set out in the relevant Managed AIFs' constitutive or offering documents. Accordingly, conflicts of interest linked to redemption rights are in principle not relevant in respect of closed-ended Managed AIFs. However, certain Managed AIFs may be "semi-open ended" AIFs where investors may have limited rights to redeem under certain circumstances. In those cases, Relevant Persons will ensure that, in processing and considering redemption requests, they act (i) in accordance with the terms of the relevant AIF's constitutive or offering document and (ii) whenever appropriate, seek to equitably balance the interests of the investor(s) making such redemption requests with the interests of the investors who have not submitted redemption requests, with an overall objective of seeking to maintain the relevant Managed AIF in a sound and responsible condition and preserving its ability to continue to satisfy its investment strategy and objective.

5.6 Conflicts in the context of allocation of investment opportunities among Managed AIFs

OAM will seek to allocate investment opportunities that fall within the investment objectives and strategies of different Managed AIFs (if any) in a fair and equitable manner among those Managed AIFs taking into account:

- the size of the proposed investment and the applicable investment restrictions and limits, also regarding leverage, of Managed AIFs;
- the lifecycle of each relevant Managed AIF versus the proposed term of the relevant investment;
- the available investment amounts of each relevant Managed AIF (i.e., amount of remaining commitments, etc.);
- the consistency between the potential risks arising from the proposed investment and OAM's risk management structure;

Exceptionally, there might be a temporary shortfall of cash in a Managed AIF and a temporary excess of liquidity in another Managed AIF. In that case, short term loans are permissible between Managed AIFs and/or their respective special purpose vehicles (SPV).

These short term loans will be made at arm's length terms and should have a positive impact for both parties: The lender Managed AIF or lender SPV will receive the cash back at an appropriate interest rate and the borrower Managed AIF or borrower SPV will be able to finalize the target investment.

Furthermore, a conflict of interest shall arise where a Managed AIF is presented with:

- a) an investment proposal involving an investment owned (in whole or in part) directly or indirectly by OAM, a portfolio manager, an investment adviser, an agent, an agent of the Managed AIF or an investor of the Managed AIF or any of their respective affiliates (the Interested Party);
- b) any disposition of assets to any Interested Party.

OAM will try to avoid to the fullest extent possible the situations described under items (a) and (b) above by all means (e.g.: segregation of tasks, controls, dual portfolio managers in any Managed AIF, etc...). Nevertheless, if this will not be possible, the Interested Party will have to declare its interest to the Board and will abstain from participating in the decision process. The Board will then analyze the declared interest, liaise with independent third parties to find an appropriate solution, and assure that the Interested Party will abstain from participating in the decision process. If, notwithstanding all the steps taken by the Board, the Interested Party will not abstain from participating in the decision process, the relevant decision may not be executed, if the vote from the Interested Party has been determining in approving the relevant decision.

If, notwithstanding the aforementioned, the relevant decision is executed, the

Interested Party, that did not refrain from voting, will be personally liable for all losses and damages suffered by OAM or a Managed AIF.

6. MONITORING AND REVIEW OF THIS POLICY

This CoI Policy will be reviewed at least on an annual basis or when it becomes apparent that material changes are required.

Compliance with this Policy will be monitored by the Compliance Function on regular basis.