

CONFLICT OF INTEREST POLICY

Version 6: February 2025

1. Legal Basis

This Policy is designed by **European Capital Partners (Luxembourg) S.A.** (the "Company") to comply with regulatory requirements applicable to conflicts of interest in Luxembourg and Belgium, including:

- **AIFMD & UCITS Regulations:**
 - Commission Delegated Regulation 231/2013
 - Law of 12 July 2013 on Alternative Investment Fund Managers (AIFM Law)
 - Law of 10 December 2010 on undertakings for collective investment (UCITS Law)
- **MiFID II Directive (2014/65/EU) & MiFIR (Regulation 600/2014)**
 - Articles 9(3), 16(3), 23(1-3), and 24(9-10)
 - Commission Delegated Directive (EU) 2017/593
 - COMMISSION DELEGATED DIRECTIVE (EU) 2021/1269 (integration of sustainability factors)
- **CSSF Regulatory Framework:**
 - CSSF Regulation 10-04 (transposing UCITS directive)
 - CSSF Circular 18/698 (authorization & organization of investment fund managers)
 - CSSF Circular 22/806 (outsourcing arrangements)
 - CSSF Circular 20/758 (MiFID II conflicts of interest requirements)
- **FSMA Regulations:**
 - FSMA Conduct of Business Rules for Investment Firms
 - FSMA updates regarding MiFID II compliance

The Company ensures all reasonable steps are taken to identify, prevent, manage, and monitor conflicts of interest to avoid any adverse impact on Clients and Investors.

2. Definitions

- **AIF:** Any alternative investment fund and any of its compartments managed and, where applicable, marketed by the Company.
- **Appointed Representative:** Any director or employee of the Company fulfilling the mandate given by Shareholders in Company operations.
- **Board:** The Board of Directors of the Company.
- **Client:** An existing or potential client of the Company for individual portfolio management services and/or non-core services—only professional investors are serviced by the Company.
- **Company:** European Capital Partners (Luxembourg) S.A. and its Belgium Branch.

- **Compliance Officer:** The person responsible for ensuring conflict of interest policies are upheld.
- **Conflict of Interest:** A situation where the Company, its staff, or related persons may benefit financially at the expense of Clients or Investors.
- **Investor:** Any investor of an AIF, including those committed to becoming investors.
- **Members of Staff:** Directors, senior management, management team, and employees.
- **MiFID Tied Agent:** Any third party appointed by the Company under MiFID rules to provide investment services under its supervision.

3. Scope

This Policy applies to:

- **Conflicts between:**
 - The Company, its Staff, or its related entities and its Clients or Investors.
 - One Client or Investor and another Client or Investor.
 - The Company and any service provider, Depository, or Prime Broker.
- **Delegation & Outsourcing Conflicts:**
 - Ensuring independence between delegated service providers and the Company's statutory auditor.
- **MiFID II Conflicts:**
 - Managing conflicts of interest arising from the appointment of **tied agents** in Belgium and Luxembourg.
 - Addressing conflicts in **discretionary portfolio management**, including:
 - Preferential allocation of investment opportunities.
 - Trading ahead of client transactions (front-running).
 - Churning (excessive trading for commissions).
 - Allocation of limited investment opportunities to favored clients.
 - Personal account dealing by portfolio managers conflicting with client interests.

4. Identification & Prevention of Conflicts

The Company takes all reasonable steps to prevent conflicts of interest, including:

- **Segregation of Duties:** Clear separation of conflicting roles and responsibilities.
- **Remuneration Policy Alignment:** Ensuring incentives do not encourage conflicts of interest.
- **Third-Party Independence:** Ensuring independence of investment managers, service providers, and prime brokers.

- **Disclosure Requirements:** When conflicts cannot be avoided, clients must be informed in a clear and durable medium.

Specific **areas of potential conflict** include:

- Personal financial interests of Staff in transactions handled by the Company.
- Preferential treatment of certain Clients at the expense of others.
- Use of confidential information for personal benefit.
- Simultaneous involvement in multiple business activities leading to conflicts.
- Outsourcing or delegation within the same Group as the Company belongs to.

5. Conflict Management Measures

5.1 Internal Controls & Monitoring

The Company implements:

- A **Conflicts of Interest Register** to document and track conflicts.
- Annual **Compliance Reports** to the Board on conflict resolution.
- **Regular Training** for Staff on identifying and managing conflicts.

5.2 Disclosure to Clients & Investors

- If a conflict cannot be mitigated, the Company discloses it to Clients before acting on their behalf.
- The disclosure provides **sufficient details** to allow informed decisions by Clients.

5.3 Management of Conflicts Arising from Delegation & Outsourcing

- Compliance with **CSSF Circular 22/806** on outsourcing arrangements.
- Ensuring delegated activities (investment management, risk management, compliance) are properly monitored.
- Avoiding conflicts between the Company's **statutory auditor and service providers**.

6. Conflicts Relating to MiFID II Tied Agents

Under MiFID II, the Company may appoint **tied agents** to provide investment services under its responsibility. To prevent conflicts of interest:

- **Tied agents must be clearly identified** and their roles disclosed to Clients.
- **The Company remains fully responsible** for all activities conducted by tied agents.

- **Regular audits and compliance monitoring** ensure adherence to regulatory requirements.

7. Record-Keeping & Reporting

- **Conflicts of Interest Register:** Maintained and updated by the Compliance Officer.
- **Annual Reporting:** The Board receives annual updates on conflicts identified and managed.
- **CSSF & FSMA Compliance:** Regular submissions to regulators as required under MiFID II and AIFMD.

8. Review & Amendments

- This Policy is reviewed **annually** to reflect changes in regulatory requirements.
- Updates incorporate **CSSF and FSMA 2024-2025 directives** and any new MiFID II provisions.

Appendix 1: Conflicts of Interest Register

(Conflicts register maintained by Compliance Officer, available upon request.)