

CONFLICTS OF INTEREST POLICY

October 2020

Emerald Managements S.à r.l.

CONFLICTS OF INTEREST POLICY

POLICY SUMMARY	3
1. INTRODUCTION	3
2. OUR POLICY	3
3. CONFLICTS OF INTEREST	3
3.1 Conflicts principally resulting from the Managers and/or Conducting Officer	4
3.2 Conflicts arising in relation to the management of AIF	5
3.3 Other situations	6
4. MANAGEMENT OF CONFLICTS	6
4.1 Measures adopted	6
4.2 Policies and procedures	6
4.3 Information barriers	7
4.4 Separation of functions	7
4.5 Commissions and Fees	7
4.6 Gifts and Inducements	7
4.7 Personal account dealing and Outside Business Activity	7
4.8 Declining to Act	7
4.9 Disclosure	8
5. RECORDS OF THE CONFLICTS OF INTEREST	8
6. REVIEW AND EVALUATION	8

Policy Summary

Emerald Managements (hereafter “the Company”) is a *société à responsabilité limitée* incorporated under the laws of the Grand Duchy of Luxembourg. The Company is required to maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage conflicts of interest.

1. Introduction

The Company is required to maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage conflicts of interest. Policies and procedures are in place in order to safeguard shareholders’ interests.

2. Our Policy

The board of managers of the Company (the "Board" or the "Managers") is ultimately responsible to identify, monitor and manage conflicts of interest. Like any management company, conflicts of interest may exist or arise in relation to various activities. However, the protection of the interests of the AIFs managed by the Company (the “Clients”) and of their shareholders (the “Shareholders”) is our first concern and so our conflicts policy sets out how:

- to identify circumstances which may give rise to conflicts of interest including a material risk of damage to the Clients’ and/or Shareholders’ interests; and
- to established and will maintain appropriate mechanisms and systems to manage those conflicts.

3. Conflicts of interest

For the purposes of identifying the types of conflict of interest that arise, or may arise, in the course of providing a service and whose existence may entail a material risk of damage to the interests of a Client, the Company must take into account, as a minimum, whether itself or its Managers, managers or employees (or any other person who is involved in providing services related to regulated activities to the Company), or a person directly or indirectly linked by control to the Company:

- is likely to make a financial gain, or avoid a financial loss, at the expense of a Client;

- has an interest in the outcome of a service provided to a Client or of a transaction carried out on behalf of a Client, which is distinct from the Client's interest in that outcome;
- has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client;
- carries on the same business as the Client; or
- receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

Generally, a conflict of interest may exist when the Managers, the investment advisor, the investment manager, the custodian and the administrator of a Client and/or their respective affiliates, members or any person connected with them may from time to time act as Manager, investment advisor, investment manager, custodian or administrator in relation to other investment funds which have similar or different objectives to those of the Clients, and which may result detrimental to a Client.

It is therefore possible that any of them may, in the course of business, have potential conflicts of interest with a Client. Each will have, at all times, regard in such event to its obligations to the Company and its Clients, as the case may be, and will endeavor to ensure that such conflicts are resolved fairly. In addition, subject to applicable law, any of the foregoing may deal, as principal or agent, with the Client, provided that such dealings are carried out as if affected on normal commercial terms.

We have worked to identify such conflicts of interest that might exist in our businesses.

These include:

3.1 Conflicts principally resulting from the Managers and/or Conducting Officer

Neither a Manager nor a conducting officer of the Company (the “Conducting Officer”) must take improper advantage of the position as Board member and/or Conducting Officer to gain, directly or indirectly a personal advantage or an advantage for any associated person which might be detrimental to the Company.

Each Manager and/or Conducting Officer 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 an actual or potential conflict does arise, a Manager should at least refrain from participating in the debate and/or voting on the matter, and in the extreme case of continuing material conflict of interest, should resign from the Board.

A Manager may not buy or sell equities, which are also held in the portfolio of a Client, while being in possession of confidential information as a Manager from the Client's structures, which, if disclosed publicly, would be likely materially to affect the shares of the Client.

In coordination with the appointed compliance officer of the Company the Board should determine when equities or shares of the Clients can be traded by a Manager or a Conducting Officer, subject to legal or regulatory restrictions.

Where obligations to other people or bodies may preclude a Manager and/or a Conducting Officer from taking an independent position on an issue, the Manager and/ or the Conducting Officer should disclose the position to the Board and it is for the Board to judge whether or not he should take part in the Board's consideration of the issue.

Neither a Manager nor a Conducting Officer is allowed to make improper use of information acquired as a Manager and/or Conducting Officer or disclose them, or allows it to be disclosed.

Neither a Manager nor a Conducting Officer may make improper use of information acquired by virtue of his positions. This prohibition applies irrespective whether or not the Manager, the Conducting Officer or any associated person would gain directly or indirectly a personal advantage. Neither a Manager nor a Conducting Officer must disclose, or be allowed to disclose, confidential information received in the course of the exercise of his/her duties as a Manager or Conducting Officer, unless that disclosure has been authorized by the Board or is required to be disclosed by applicable laws and regulations. Matters such as processes, advertising and promotional programs and statistics affecting financial results are particularly sensitive and must not be disclosed.

Neither a Manager nor a Conducting Officer should disclose any information which is not publicly available and which would have a material effect on the Clients' share/unit price and should not disclose such information to anyone who may be influenced to subscribe for, buy or sell shares/units, or may advise others to do so. Such information includes, but is not limited to: profit forecasts, borrowings, impending litigation, and significant changes in operations, new products, applied investment techniques, new discoveries, and financial problems.

3.2 Conflicts arising in relation to the management of AIF

(i) The investment advisor or investment manager to which investment advisory and/or management functions have been delegated may, from time to time, act as investment managers or advisers to other companies or funds which follow similar investment objectives to those of the Clients. It is therefore possible that the

investment advisor or investment manager to which investment advisory and/or management functions have been delegated may in the course of their business have potential conflicts of interest with the Company or a particular Client. The investment advisor or investment manager to which investment advisory and/or management functions have been delegated will, however, have regard in such event to its obligations under the agreement and, in particular, to its obligation to act in the best interests of the Company, having regard to its obligations to other Clients when undertaking any investment where potential conflicts of interest may arise.

(ii) The custodian of the Clients may, from time to time, act as the custodian of other companies or funds, may provide banking or other services to the Company and may purchase or sell or deal in the purchase or sale of scheme property, provided always that the services concerned and any such dealing are in accordance with the provisions of the regulations.

(iii) Functions which may be delegated, such as fund administration, may be delegated to service providers who may provide their services to other companies or funds.

(iv) Managers may serve as Managers on the board of other companies/funds or other public or private companies.

3.3 Other situations

(i) Gifts and inducements may be given to or received from a service provider or other business relationship in return for business; and

(ii) the Company may outsource or delegate certain functions (such as valuation, pricing, transfer agency, fund administration) to outside third party providers who may seek to engage in other activity that conflicts with the Company's interests.

4. Management of Conflicts

4.1 Measures adopted

Some of the measures we have adopted to manage identified conflicts are set out below. We consider them appropriate to our efforts to take reasonable care that, in relation to each identified conflict, we act independently to avoid material risk of damage to shareholders' interests.

4.2 Policies and procedures

The Company has adopted policies and procedures to manage conflicts of interests. These policies and procedures will be subject to regular monitoring and review processes.

4.3 Information barriers

The Company has ensured that its delegates, when applicable, have established physical and electronic information barriers which are designed to prevent the exchange or misuse of material, non-public information obtained by various “insider” businesses.

Employees within an “insider” business unit are prohibited from inappropriately passing on sensitive information to those in an “outside” business unit who cannot access the information. An information barrier means that employees sit in separate premises with access and security control and compliance monitoring.

4.4 Separation of functions

The Company has ensured that its delegates (when applicable) have established separation of functions: if a business with two functions would lead to conflicts of interest, the Company may separate the functions into two separately managed businesses or ensure that they are managed by different senior members of staff.

4.5 Commissions and Fees

Commissions and fees paid to the Managers and the delegates are in line with market standards so as to avoid any potential conflict of interest.

4.6 Gifts and Inducements

The giving and receiving of gifts or inducements have the potential to create conflicts of interest. The Company must not solicit or provide anything of value directly or indirectly to or from anyone, except under limited circumstances, which would impair the Company’s duty to act in the best interest of its Clients and Shareholders.

4.7 Personal account dealing and Outside Business Activity

The Managers and the Conducting Officers shall act in the best interest of the Company. They shall immediately inform the Company of any circumstance where the Company or the Clients would participate in a transaction in which one of them have directly or indirectly material interests or a relationship with another party which may involve a conflict with their duties to the Company. Any such transaction will specifically be reported in the Board meeting. On a semi-annual basis all the employees and managers of the Company will report all the personal transactions done over the period to the compliance officer.

It needs to be noted that since the AIFM is not investing in financial instruments, the employees of the AIFM will not have access to inside information for which they can take advantage. Should this change in the future this section will be updated according to CSSF Circular 18/698.

4.8 Declining to Act

Where we consider that the conflict of interest cannot be managed in any other way, the Company may decline to act in that business.

4.9 Disclosure

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in the Company.

Additional conflicts that are identified by the Company in the future will be included within appropriate mechanisms or systems in order to manage those conflicts. Where the Company considers that there are no other means of managing the conflict or where the measures in place do not sufficiently protect the Clients' interests, the specific conflict will be disclosed to enable the Clients to make an informed decision whether to continue or not the business in that particular situation.

The Board will seek to ensure that any conflict of interest of which it is aware is resolved fairly.

5. Records of the Conflicts of Interest

The Company will identify and record conflicts of interest under this policy. The Company will maintain and update continuously and in accordance with current regulations a record of circumstances in which a conflict of interest has arisen with a risk of prejudice to the interests of the Clients. This register will be held at the Company's registered office and will display information about the activity, the origin and description of the conflicts, the person bound, the date of origin, the measures taken and the date of resolving the conflict.

The ultimate responsibility of guarding the register and ensure regular updating and informing the Board will be the Conducting Officer of the Company in charge of the risk management procedure, it being understood that this activity can be delegated, notably to the compliance officer.

6. Review and evaluation

The review and evaluation of the Conflicts of Interest policy will be done periodically through:

- periodical review from the compliance officer of the Company;
- external annual audit

The present conflicts of interest policy will be available to the investors of the Clients upon simply request to the Company's registered office (30 boulevard Royal, L-2449 Luxembourg) or to the Client's distributors.



Xavier Deu
Compliance Officer

Enters into force and updated on 25th of October 2020