

CONFLICTS OF INTEREST POLICY

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1. PURPOSE AND INTENTION

Kuylenstierna & Skog S.A. ("K&S" or the "Company") is an asset manager providing a broad range of services to its clients. In order to safeguard the interests of its clients, the Company has adopted a Conflicts of Interest Policy (the "Policy"). The Policy sets out criteria for identifying all conflicts of interest with the aim of avoiding them. Where conflicts of interest remain, the Policy sets out procedures to be followed in order to report and manage them in the interest of the institution and pursuant to the regulatory provisions on customer protection. The Policy also sets out procedures to be followed in case of non-compliance with the Policy.

The Policy allows the Company not only to comply with regulatory requirements, but also to promote a culture of integrity among the persons involved in the provision of its services and to apply high standards of ethical conduct in the business relationships with its clients.

The Policy is applicable to all employees as well as the authorised management, and available on our shared drive. It is reviewed on an ad hoc basis whenever needed, and at minimum once per year by one of the authorised management. In case of updates, it is presented to the Board of Directors at the board meetings.

2. IDENTIFICATION CRITERIA

The Company shall identify, with reference to the specific investment services and activities and ancillary services carried out, the circumstances which constitute or may give rise to a conflict of interest which entails a material risk of damage to the interests of one or more clients ("Conflict of Interest").

For the purpose of identifying the types of Conflicts of Interest, whether the Company, or a relevant person, or a person directly or indirectly linked by control of the Company, the following non-exhaustive criteria should be taken into account:

- The Company or the person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- The Company or the person has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- The Company or the person has a financial or other incentive to favour the interests of another client, or group of clients, over the interests of the client;
- The Company or the person carries out the same business as the client; or
- The Company or the person receives or will receive an inducement from a person other than the client in relation to a service provided to the client, in the form of monies, goods, services or other forms than the standard commission or fee for that service.

For the purposes of the Policy, the term "Relevant Person" covers:

- Directors, partners or equivalent, managers of the Company;
- Employees of the Company, as well as any other natural persons whose services are placed at the disposal and under the control of the Company and who are involved in the

- provision of investment services and activities by the Company; and
- Natural persons who are directly involved in the provision of services to the Company under an outsourcing arrangement for the purpose of the provision by the Company of investment services and activities.

The above mentioned circumstances cover cases where there is a conflict between the interests of the Company, or certain persons connected to the Company, and a duty the firm owes to a client, or between the differing interests of two or more of its clients, to whom the firm owes a duty.

It is not enough that the Company may gain a benefit if there is not also a possible disadvantage to a client, or that one client to whom the firm owes a duty may make a gain, or avoid a loss, without there being a possibly associated loss to another client.

3. TYPES OF CONFLICTS OF INTEREST

3.1 Conflicts relating to the activity of the Company

The Company is engaged in a broad range of business activities which mainly include investment advice, asset management, financial analysis and investment research, which may give rise to Conflicts of Interest between the Company and its related parties, as well as third-party subcontractors, in the following circumstances:

- **Investment advice**
 - If the Company provides a client with investment advice relating to certain financial instruments that the Company is going to acquire on behalf of the client to whom it provides asset management services;
 - If the Company recommends a client to buy certain financial instruments while the Company has almost simultaneously recommended another client to sell the same financial instruments;
 - If investment advice may be influenced by retrocessions of commissions received from third parties, e.g. an issuer; or
 - If investment advice may be influenced in relation to investment opportunities offered by entities linked to the Company, its managers or its shareholders.
- **Asset management**
 - If the Company acting as an asset manager for several clients decides on how to allocate financial instruments between these clients, e.g. in case of acquisition of bonds upon their issuance; or
 - If the provision of asset management services may be influenced by retrocessions of commissions received from third parties, e.g. investment funds;
- **Financial analysis and investment research**
 - If employees having to meet commercial targets may influence employees in charge of the selection and dissemination of financial analysis/investment research;
 - If financial analysis/investment research provided may be used by the Company for its own account or for the account of certain clients before being disclosed to other clients;
 - If the companies concerned may try to influence the selection and dissemination of

- financial analysis/investment research to its clients by the Company; or
- If the relevant persons involved may have an interest in a company in relation to which they disseminate financial analysis/investment research to the clients of the Company.

3.2 Conflicts relating to the actions of Relevant Persons

Conflicts of Interest may also arise in relation to the action of Relevant Persons involved in the provision of the Company's services under the following circumstances:

- ***Personal Transactions***
Circumstances where such persons may receive confidential client information on transactions and/or financial instruments which may influence their decisions when engaging in personal transactions.
- ***Inducements***
Circumstances where such persons may receive gifts and other inducements from third parties which may influence their behaviour conflicting with the interests of the Company's clients.
- ***Management of other companies***
Circumstances where such persons may exercise simultaneously managerial functions in a company and that such exercise may give rise to a Conflict of Interest with their obligations towards the Company or one of the Company's clients, or create a conflict between the interests of the Company and of the Company's clients.

4. MEASURES TAKEN BY THE COMPANY

The Company has in place various procedures and measures in order to actively manage Conflicts of Interest it has identified and to ensure, with reasonable confidence, that risks of damage to client interests will be prevented.

4.1 Identification measures

The Chief Compliance Officer ("CCO") shall identify the main circumstances in which the Company may be exposed to Conflicts of Interest taking into account the criteria and the different types of Conflicts of Interest in Section 3 of this Policy, in relation to the scope of the activity of the Company, of the following aspects:

- Provision of services involving access to confidential information, e.g. financial analysis or asset management;
- Coexistence of conflicting activities, e.g. asset management and proprietary dealing, or dissemination of investment research and proprietary dealing;
- Possible ties between the remuneration of Relevant Persons involved in conflicting activities;
- Conditions in which personal transactions of Relevant Persons are carried out; and
- Inducements received by the Company or Relevant Persons.

4.2 Organisational arrangements

The Company has adopted the following organisational provisions:

- i. Segregation of tasks, taking the principle of proportionality into consideration, involving activities on behalf of, or the provision of services to, clients whose interests may conflict or who otherwise represent different interests that may conflict, including those of the Company. In connection thereto, each employee undertakes to inform the CCO where some of its functions may trigger Conflicts of Interest;
- ii. Remuneration policies preventing any kind of profit-sharing directly linked to the success of a specific transaction and any other kind of direct link between the remuneration of Relevant Persons principally engaged in one activity and the remuneration of, or revenues generated by, different Relevant Persons principally engaged in another activity, where a Conflict of Interest may arise in relation to those activities;
- iii. "Four eyes principle" involving joint signature requirements according to internal procedures in order to prevent/limit the possible exercise of improper influence/abuse in relation to the way in which a Relevant Person carries out investment or ancillary services or activities; and
- iv. Prohibition for the account managers to negotiate inducements for the Company with the consequence that account managers are not aware of the existence and/or level of inducements paid or received by the Company and may therefore not be influenced while advising/taking investment decisions on behalf of the clients.

A temporary deviation from these principles is only allowed in exceptional circumstances. Every such deviation must be justified and is supervised by the CCO and/or the authorised management.

4.3 Information barriers

Certain services are particularly exposed to Conflicts of Interest, e.g. investment advice and asset management, should information be transmitted from one operational entity to another, as may be the case at K&S, due to the principle of proportionality and the size of the company. Two out of three account managers are as well shareholders of the Company, members of the Board of Directors, and members of the authorised management. However, the following specific measures are in place:

- Physical information barriers: systems controlling access to certain areas, access limitations for visitors, access to "sensitive" areas restricted to a limited number of employees, conservation of documents in protected locations with restricted access and "clean desk" policy applicable to all employees;
- Electronic information barriers: special electronic security systems, mandatory passwords and authorisations for obtaining access to the IT system of the Company;
- Control of any simultaneous or sequential involvement of Relevant Persons in separate investment, ancillary services, or activities where such involvement may imply an undue circulation of confidential information or otherwise impair the proper management of Conflicts of Interest.

These information barriers permit among other things:

- To ensure the independence of each employee when making decision with respect to potentially conflicting interests of other employees; and

- To limit the circulation of confidential information between employees.

A temporary deviation from these principles is only allowed in exceptional circumstances. Every such deviation must be justified and is supervised by the CCO and/or the authorised management.

4.4 Rules of conduct and training

In order to ensure that all Relevant Persons are familiar with the principles set out by the Policy and comply with the rules provided therein the following measures have been adopted:

- Instructions have been given that investment advice shall be given only in circumstances where the Relevant Person giving such advice is not unduly exposed to any external influences and its objectivity is protected;
- The Company informs Relevant Persons of the rules applicable to personal transactions, the reporting channels through which Relevant Persons should inform the Company of possible personal transactions, and the procedures in place to record these transactions within the books of the Company;
- A policy to prevent market abuse is in place according to which the Company maintains a list of employees considered as being in a "sensitive" position as regards the risks of market abuse and/or Conflicts of Interest;
- Relevant Persons are to report directly to the authorised management of the Company or to the CCO whenever they identify a Conflict of Interest in the context of their activity;
- Education and training procedures have been adopted aimed at adequately and regularly informing the Company's staff and more generally all Relevant Persons on the specific measures adopted under the Policy, on the legal, financial and reputational risks for the Company in case of Conflicts of Interest, as well as on the personal sanctions such persons may incur in relation thereto;
- There is a formal prohibition to accept advantages unless a specific authorization has been given;
- All appropriate measures to promote a culture of integrity, equity and primacy of clients' interests within the Company have been adopted, e.g. a Code of Conduct has been drafted and submitted to all employees;
- The employees undertake not to generate Conflicts of Interest between their professional activity and their personal activities and should not unduly take advantage of their professional position. In this context, employees must beforehand inform the CCO of any profitable activity they exercise for their own account or on a third party's account, and of any position as a manager or member of the board or director of a company, unless this activity is exercised upon express request of the Company; and
- Employees are requested not to mention the fact that they work for the Company outside the scope of their professional activities. In this context, each employee undertakes not to put himself in a situation of dependency or vulnerability towards third parties which could entail Conflicts of Interest in the context of his professional activity.

In addition, any Relevant Person must contact the CCO in case of doubt as to the appropriate behaviour to adopt in relation to Conflicts of Interest and any other related question.

The authorised management of the Company controls that its employees comply with any applicable provisions relating to the identification and the management of Conflicts of Interest, including this Policy.

4.5 Selection and dissemination of investment research

The Company shall, unless otherwise provided for by applicable law, ensure the implementation of all the measures set out under Section 3 of this Policy in relation to the persons in charge of the selection and dissemination of investment research, and other relevant persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated.

Furthermore, the Company shall ensure that the Company and other Relevant Persons involved in the dissemination of investment research do not accept inducements from those with a material interest in the subject matter of the investment research. More generally, that all investment research is produced by third parties or selected only in circumstances where the financial analysts or persons in charge of the selection and dissemination are not unduly exposed to any external influences, and their objectivity is protected.

Relevant Persons shall not undertake personal transactions or trade on behalf of any other person, including the Company, in financial instruments to which investment research relates, or in any related financial instruments, i.e. a financial instrument's price which is closely affected by price movements in the other financial instruments, with knowledge of the likely timing or content of that investment research which is not publicly available or available to clients, and cannot readily be inferred from information that is so available, until the recipients of the investment research have had a reasonable opportunity to act on it.

All Relevant Persons involved in the selection and dissemination of investment research do not exchange confidential information such as unpublished investment research or any other type of unpublished information on clients with other Relevant Persons.

4.6 Services provided by third parties

Before using the services of a third party, the Company ensures contractually that the third party and any of the persons working for it will comply with this Policy.

4.7 Alternative and/or additional measures

The measures set out under Section 4 is not exhaustive. If the use of one or more of the measures listed above does not reasonably ensure appropriate management of a Conflict of Interest, alternative and/or additional measures shall be adopted.

5. SPECIFIC SCENARIOS

Where all reasonable efforts and measures taken to manage Conflicts of Interest under the Policy are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, the Company shall consider whether a disclosure is appropriate or whether it is in the best interest of the client to refrain from undertaking business on his or her behalf.

In some of those scenarios, the Company will disclose to the client, in a durable medium, the general nature and, as the case may be, the source of the Conflict of Interest, enabling the client to take an informed decision with respect to the service in the context of which the Conflict of Interest arises. Before any such disclosure to the client, the Company shall make sure that the Conflict of

Interest cannot be handled satisfactorily, using e.g. the measures under Section 3.

Where the Company considers that the risk of damage to the client's interest is too important, it will refuse to undertake business on behalf of the client. Therefore, the Company reserves the right in some circumstances to decline the provision of advisory or asset management services, in connection with specific investments as a consequence of the Company's relationship with other clients and with other third parties.

In any case, the disclosure to the client of a Conflict of Interest does not release the Company from its obligation to identify and manage Conflicts of Interest. Therefore, any disclosure to the client, which implies that the conflict could not be managed efficiently in order to preserve the interests of the client, must be reported to the CCO. The CCO will be in charge of investigating the case on the basis of all available documents and providing the management of the Company with a report summarizing the investigations carried out. The management will be sole responsible for deciding which position and possible corrective measures must be adopted.

6. RECORD AND UPDATE

The Company shall establish and regularly update a record of the kinds of services or activities, in which a Conflict of Interest has arisen or may arise, if it arises. If applicable, this record shall also specify the corresponding procedures and/or measures adopted to manage such Conflicts of Interest. The active cooperation of the employees of the Company is therefore necessary to establish this record. Each type of Conflict of Interest identified shall be referenced to the specific type of activity in which it arises. The record shall form an integral part of the Policy. The record shall be maintained by the CCO.

The Policy itself shall be maintained and regularly updated by the CCO, taking into account inter alia changes in legislation, new services and products offered by the Company or the occurrence of new sources of (potential) Conflicts of Interest. The Policy may also be updated on the basis of the investigations carried out by the CCO.

The employees undertake to report to the authorised management of the Company or to the CCO any (potential) Conflict of Interest that they may be aware of in the course of their activity.

7. DISCLOSURE

In relation to retail clients the Company must disclose information about the Policy in an appropriate manner before any investment or ancillary service is provided. This information is provided in summary form in the General Terms and Conditions of the Company. If the retail client requests further information, the Company shall provide additional details in a durable medium.