

## CONFLICT OF INTEREST POLICY

### CONTENTS

|                |                              |
|----------------|------------------------------|
| Classification | Confidential                 |
| Audience       | All employees and management |
| Ownership      | Head of Legal & Compliance   |

| Version | Date          | Name            | Description      |
|---------|---------------|-----------------|------------------|
| 0.01    | February 2024 | Julie Bourgeois | Initial Document |
| 0.02    | April 2025    | Julie Bourgeois | Annual Review    |

### Document Circulation

This document will be made available on the Company's One Drive for the defined audience as soon as the document will be approved and finalized. Copies are not controlled.

### Review Cycle

This document shall be reviewed on a yearly basis at least or when required by major changes in the organization (internal governance framework) and operational processes of the Company.

| Review Date | Approval Date by Executive Committee | Approval Date by Board of Managers |
|-------------|--------------------------------------|------------------------------------|
| 0.01        | Not applicable                       | February 2024                      |
| 0.02        | April 25, 2025                       | April 2025                         |

## Table of Contents

|        |  |    |
|--------|--|----|
| 1.     | BACKGROUND.....  | 3  |
| 2.     | SCOPE OF THE POLICY.....   | 4  |
| 3.     | DEFINITIONS.....   | 5  |
| 4.     | ORGANISATION AND GOVERNANCE.....   | 6  |
| 4.1.   | EMPLOYEES.....   | 6  |
| 4.2.   | SENIOR MANAGEMENT.....   | 6  |
| 4.3.   | BOARD OF MANAGERS.....   | 7  |
| 4.4.   | LEGAL AND COMPLIANCE FUNCTION.....   | 7  |
| 5.     | IDENTIFICATION OF CONFLICT OF INTERESTS.....   | 7  |
| 5.1.   | IDENTIFICATION CRITERIA.....   | 7  |
| 5.1.1. | <i>Parties Involved</i> .....  | 8  |
| 5.1.2. | <i>Factors giving rise to Conflicts of Interest</i> .....  | 8  |
| 5.2.   | SITUATIONS OF POTENTIAL CONFLICTS OF INTEREST.....   | 8  |
| 5.2.1. | <i>Conflicts of interests in the case of outsourced, delegated activities and in the frame of the relationship with the depositary</i> ..... | 9  |
| 5.2.2. | <i>Conflict of interest related to intra-group activities</i> .....  | 9  |
| 5.2.3. | <i>Conflict of interest related to redemption of investments</i> .....   | 10 |
| 5.2.4. | <i>Conflict of interest related to the use of prime brokers services</i> .....   | 10 |
| 5.2.5. | <i>Conflict of interest related to portfolio management activities</i> .....   | 11 |
| 5.2.6. | <i>Strategy regarding voting rights</i> .....  | 11 |
| 5.2.7. | <i>Gift and entertainment</i> .....  | 12 |
| 5.3.   | ESG CRITERIA AND SUSTAINABILITY RISKS.....   | 13 |
| 6.     | HANDLING CONFLICT OF INTERESTS, SUPERVISION AND ESCALATION.....  | 13 |
| 6.1.   | PREVENTIVE MEASURES.....   | 13 |
| 6.2.   | OBLIGATION TO REFRAIN.....   | 13 |
| 6.3.   | PROACTIVE DISCLOSURE OF CONFLICT OF INTEREST.....  | 14 |
| 6.4.   | CONFLICT OF INTEREST REGISTER.....   | 14 |
| 6.5.   | MANAGEMENT OF CONFLICT OF INTEREST.....  | 15 |
| 6.6.   | ESCALATION.....  | 16 |
| 6.7.   | DISCLOSURE OF CONFLICT OF INTEREST TO CUSTOMERS.....   | 16 |
| 7.     | POLICY OWNER AND IMPLEMENTATION.....   | 17 |
| 8.     | APPROVAL.....  | 17 |

## 1. BACKGROUND

6 Monks (6M) (the “**Company**”, “the **AIFM**” “**6M**” or “**we**”), is a Luxembourg private limited liability company (*société à responsabilité limitée*), having its registered seat at 1A, Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B 259714.

6M is an authorized alternative investment fund manager (“**AIFM**”) by the Luxembourg *Commission de Surveillance du Secteur Financier* under number A00003285 offering fund management services for alternative investment funds (“**AIF**”).

In line with the legal requirements of Article 20 of CSSF Regulation 10-4 and Article 31 of Delegated Regulation (EU) 231/2013 and the CSSF Circular 18/698 (the “**Circular**”), an AIFM must establish, implement and maintain an effective conflict of interest policy (the “**Policy**”). This Policy must be set out in writing and must be appropriate to the size and organisation of the Company as AIFM and the nature, scale, and complexity of its business.

The present Policy must be approved by the executive committee (the “**Executive Committee**”) and the board of managers (the “**Board of Managers**”) and be made available to the Company’s employees.

Through this Policy, the Company maintains an organization, procedures, and controls to avoid conflicts of interests at best applicable to the Company as well as to the customers. As such, the Company takes reasonable measures to avoid or reduce the risk of conflicts of interests to a minimum level, such as to:

- ensure the early detection and adequate management of conflicts of interests;
- prevent the occurrence of conflicts of interests whenever possible that may lead to a risk of damage to the interests of the customers;
- ensure measures have been taken to prevent, identify and manage such conflicts;
- manage and solve any conflict of interest if unavoidable, in the interests of the customers;
- monitor and externally disclose any conflicts of interests that cannot be adequately managed in the course of the Company activities;
- ensure investors’ protection and regularity of transactions;
- treat customers fairly;
- promote the best interests of customers and the integrity of the market;
- make employees aware of the existence of such conflicts of interest, understand their obligations to be mindful of conflicts of interests, take all reasonable steps to assist in their identification and proper management, which includes prompt escalation;
- detail procedures and measures to be adopted and followed in order to manage such actual or potential conflicts of interest;
- provide a framework, and escalation rules, for dealing with conflicts of interest internally and allocate responsibilities;
- implement obligations and requirements to record and disclose conflicts of interest, and
- define consequences in case of failure to comply with this Policy.

This Policy is not intended to be an exhaustive enumeration or explanation of all conflicts of interests that may arise but to develop a global approach and methodology concerning the identification, prevention and handling of potential conflict of interests.

## 2. SCOPE OF THE POLICY

This Policy is applicable to all AIFs for which the Company acts as AIFM.

The Policy applies with no exception to any of the Company's managers, employees, persons acting under their authority, any person directly or indirectly related to the Company by a controlling relationship, delegated third parties, and limited partners of the AIFs managed by the Company.

Conflicts of interest, which should be subject to organizational arrangements, are defined as those which arise between providers themselves, persons under their authority or acting on their behalf, or any other person directly or indirectly linked to them by a control relationship, and their customers, or between two customers, in the course of providing any investment or related service or combination of services.

Conflicts of interest also refer to any situation in which a person's, company's, or organization's power of assessment or decision may be influenced or impaired in its independence or integrity by personal or professional considerations or by pressure from a third party, whether a natural or legal person. In accordance with Article 11(1)(d) of the 2013 Law, the Company as AIFM must take all reasonable steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where appropriate, disclose, 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**" or "**Col**").

6M's Board of Managers has already approved that any due diligence and therefore application to AIFs under the management of the Company by any investor who is connected directly or indirectly or has a direct or indirect economic relationship with any employee, executive committee member or Board member of the Company, shall be prohibited. That shall notably concern the spouses, ascendants, descendants, business partners, co-investors, shareholders of the managers, executive committee and employees of the Company.

The identification, management, and resolution of conflicts and potential conflicts remain the responsibility of all the 6M's employees.

Where an AIF is a member of a Group, the Policy also considers any circumstances of which the AIFM is or should be aware which may give rise to a conflict of interest arising as a result of the structure and business activities of other members of such Group.

The Policy includes the following:

- the identification of the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of the AIFs whilst taking also into account the relationships with Affiliated Entities;
- activities carried out by a delegate, sub-delegate, external valuer or counterparty, identification of the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of the AIFs or their investors;
- procedures to be followed and measures to be adopted in order to prevent, manage and monitor such conflicts.

When the term **customers** or **customer** is used in the Policy it must be referred to the AIF as well as investors investing in any AIF.

### 3. DEFINITIONS

|                                      |   |
|--------------------------------------|---|
| <b>Affiliated Entities</b>           | Any entity belonging to a Group.  |
| <b>CSSF</b>                          | <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority, or any successor authority.  |
| <b>CSSF Circular 18/698</b>          | the CSSF Circular 18/698 on the authorization and organization of Luxembourgish investment management companies (IFM), including specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the function of registrar agent, was published by the CSSF. |
| <b>CSSF Regulation 10-04</b>         | the CSSF regulation n° 10-04 as regards organizational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company.  |
| <b>Delegated Regulation 231/2013</b> | the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council regarding exemptions, general operating conditions, depositaries, leverage, transparency and supervision.   |
| <b>Code of Conduct</b>               | the Code of Conduct set up by the Company and approved by the Board of Managers   |
| <b>Compliance Officer</b>            | the Compliance Officer of the Company   |
| <b>CSSF</b>                          | the Luxembourg <i>Commission de Surveillance du Secteur Financier</i>   |
| <b>Group</b>                         | A group of companies to which an AIF and its Affiliated Entities belong.  |
| <b>Register</b>                      | the conflicts of interest register as described under paragraph 6.5 of the Policy.  |
| <b>the 2010 Law</b>                  | the law of 17 December 2010 on undertaking  |

for collective investment.

**the 2013 Law**

the law of 12 July 2013 on alternative investment fund managers.

**Senior Management**

the persons who effectively conduct the business of the Company within the meaning of Article 7(1)(c) of the 2013 Law, also known as “Authorized Management” or the “Conducting Officers”.

## **4. ORGANISATION AND GOVERNANCE**

In order to minimise the potential risk of conflicts of interest, the AIFM must put in place appropriate segregation of duties and activities.

### **4.1. Employees**

The identification, management, and resolution of conflicts and potential conflicts remain the responsibility of all 6M’s employees. In accordance with the terms of the Policy, employees should:

- be able to recognize when a conflict of interest may occur or has occurred;
- act in the best interest of the investors when dealing with potential or verified conflict of interest;
- notify the Senior Management, who must notify the Board of Managers without delay by email with the Head of Legal and Compliance in copy before a conflict of interest can have an impact;
- as part of their onboarding, employees must receive a compliance training including conflicts of interest matters;
- obtain permanent access to the Code of Conduct, set of policies and procedures.

It is also the responsibility of any individual acting under the supervision of the Company or at its sides and who participates in the provision of investment services and activities on behalf of the Company or its managed AIFs, notably its Affiliated Entities to comply with the Policy.

Non-compliance with the Policy and its content may result in disciplinary actions, including dismissal in accordance with the Luxembourg labor law.

### **4.2. Senior Management**

The Senior Management promotes, in the day-to-day business, within the Company a culture of integrity which highlights that the employees have a duty to be conscious of potential conflicts of interest.

The Company’s Senior Management is required to ensure that the measures which have been adopted within the Company to identify, notify and manage conflicts of interest are both robust and appropriate.

The Senior Management must ensure that relevant persons engaged in different business activities, involving conflicts of interest, carry on those activities at a level of independence appropriate to the size and activities of the Company to minimise the risk for potential damage to the interests of customers.

The Senior Management must ensure that effective procedures are in place to prevent or control the exchange of information between relevant persons where the exchange of such information might harm the interests of one or more Customers (*“the need-to-know principle”*).

In accordance with Article 22(1) of CSSF Regulation 10-4 and Article 35 of Delegated Regulation 231/2013, the Senior Management should review on a quarterly basis the Register.

#### 4.3. Board of Managers

The Board of Managers should ensure that an appropriate level of segregation of duties and activities exists within the Company to prevent or control the simultaneous or sequential involvement of a relevant person in separate services or activities where such involvement may impair the proper management of potential or materialized conflicts of interest.

The Board of Managers should ensure that there is an appropriate culture in relation to “speaking up” in place within the Company to prevent any person from exercising inappropriate influence over the way in which another person carries out services or activities for customers.

#### 4.4. Legal and Compliance Function

The Head of Legal and Compliance shall take measures to avoid or mitigate the conflict of interest.

Responsibilities of the Head of Legal and Compliance in the context of the management and prevention of conflicts of interest are as follows:

- formalising and updating the Policy;
- communication of the Policy to any employee;
- training on the Policy and prevention and management of conflict of interest, ensuring that the employees as well as managers, directors, employees, partners, executive committee of Affiliated Entities have sufficient skills and awareness of what constitutes a conflict of interest and what measures are required when a conflict of interest is identified;
- collecting identifications of conflicts of interest;
- proposing a recommendation in the event of identification;
- ensuring that Customers are informed, if necessary;
- saving the information on dedicated computer files;
- keeping the register of actual and potential cases and communicating it to the employees concerned as soon as it is modified;
- carrying out controls to assess the adequacy, effectiveness and compliance with the Policy.

The Legal and Compliance function will ensure when made aware of a particular situation which might arise, that both the potential for conflicts of interest to occur and the actual known potential conflicts of interest that exist are disclosed to customers if reasonable and practicable to do so on a timely basis in a durable medium considered as appropriate (e.g. in investment management agreements, limited partnership agreements, subscription terms, and any other AIFs documents).

## 5. IDENTIFICATION OF CONFLICT OF INTERESTS

### 5.1. Identification Criteria

Conflicts of interests may come in different forms. They may be actual and appear in the form of a direct conflict between current obligations and/or interests. They may also be potential as future probable conflicts and appear in circumstances giving the appearance of a conflict.

In order to detect situations of conflicts of interest whose existence may be detrimental to the interests of customers, the Company takes into account the following aspects:

#### 5.1.1. Parties Involved

The conflicts of interests referred to are those, arising during the management of AIFs. In accordance with Article 13 of the 2013 Law, and as further set out in section 5.5.7 of the CSSF Circular 18/698, the AIFM must take all reasonable steps to identify conflicts of interest that arise in the course of managing AIFs between:

- the AIFM, including its Board of Managers members, Executive Committee's members, employees, persons acting under their authority, or any person directly or indirectly related to the AIFM by an Affiliated Entity and the AIFs managed by the AIFM or investors of the AIF;
- the managers, directors, employees, partners, executive committee of Affiliated Entities;
- the AIF or its investors and another AIF or investors of the other AIF;
- the AIF or the investors of this AIF and another customers of the AIFM;
- two customers of the AIFM; and/or
- the AIFM's, AIF's or its investors' external providers or outsourced companies.

#### 5.1.2. Factors giving rise to Conflicts of Interest

6M shall ensure that when identifying the types of conflicts of interest, the existence of which may damage the interests of an investor it includes also those type of conflicts of interest that may arise as a result of the integration of sustainability risks in their processes, systems and internal controls.

When identifying potential conflict of interest, 6M will consider all the factual circumstances and will take into account whether 6M, its Customer, service provider, delegate or a fund promoter:

- is likely to make a potential financial gain or avoidance of financial loss at the AIF's, its investors' or third party's expense;
- has an interest in the outcome of an activity provided to a third party or of a transaction carried out on behalf of a third party, which is distinct from the third party's interest in the outcome;
- is likely to have a financial or other inducement(s) to favor or prioritize the interests of one investor or group of investors over the interest of another investor or group of investors;
- is likely to have interest in the outcome of a service provided to a customers or of the transaction executed on a customers's behalf, and this interest differs from that of this customer;
- is likely to receive or is willing to receive inducement(s) from a person other than the AIF or its investors, a benefit relating to the service provided to the AIF or its investors in the form of services or financial or non-financial benefits, other than the commission or fee normally charged for that service.

#### 5.2. Situations of potential conflicts of interest

Potential conflicts of interests may arise in various situations and in several instances that are linked to the business activities of the Company. The following non-exhaustive list shows examples of potential fields and situations that may lead to conflicts of interests:



- Personal transactions of employees;
- Risk management functions and operations;
- Internal audit and risk management or portfolio management functions;
- Valuation and portfolio management;
- Depositary and portfolio management or risk management functions;
- Execution of voting rights and corporate actions;
- Dual or multiple mandates;
- Delegation of functions or selection of service providers;
- Exercise of the same professional activity or business as the investor and/or product and/or service;
- Order or asset allocation between AIFs;
- Intragroup investments or investments in related products;
- Employees' external outside activities and external directorships;
- Provision and receipt of gifts and entertainment.

In certain circumstances, the Company or Affiliated Entities may have different investment objectives or could pursue or enforce rights with respect to a particular issuer in which the AIFs or its investors have also invested, and these activities could have an adverse effect on the AIFs or its investors.

Conflicts of interests may also arise from the fact that the AIFs may make investments in or with Affiliated Entities.

The present section of the Policy identifies specific situations where potential conflicts of interest may arise and related mitigating measures.

In addition to the above mentioned situations, potential Col that 6M may encounter are listed in annex to the Policy, together with the identified mitigation measures. This list of potential Col is also reflected in the Register and must evolve as 6M's activities evolve.

#### 5.2.1. Conflicts of interests in the case of outsourced, delegated activities and in the frame of the relationship with the depositary

Regarding third parties that perform delegated tasks of 6M, the adherence to Col requirements is monitored and documented in the context of outsourcing controls and due diligence activities.

As part of the initial due diligence and before making a decision about outsourcing or delegated activities, the procedures to be followed and the measures to be adopted in order to manage conflicts of interest with reference to the delegate are the one described in section 6 of the Policy.

In addition, 6M oversight teams will ensure, as mitigation measures, that on an initial and on-going basis the delegate:

- has adequate Col procedures in place taking all reasonable steps to identify, manage and monitor potential Col that may arise between itself and the company and/or the AIFs and their investors;
- report to 6M potential Col as well as procedures and measures they have adopted.

Regarding depositary activities, 6M's strategy with respect to conflicts of interest that may arise, is one of complete absence of conflict of interest with respect to the use of the services of a depositary.

#### 5.2.2. Conflict of interest related to intra-group activities

As belonging to a Group, 6M may from time-to-time delegate and/or have AIF's delegates that are part

of the same Group. This proves particularly relevant in the context of investment advisory services. Regarding the Col that may arise with those entities/individuals and 6M, 6M has the following mitigation measures in place:

- A clear segregation of the personnel per entity that may be involved in activities related to the AIF. No employee from 6M shall also work for another Group entity on a particular AIF;
- In case, a 6M Senior Manager or a manager, director, agent is also a senior manager or a manager, director, agent of another Group entity, the person shall step down of any decision that may favour one entity above the other.

Any Group entity identified as a delegate follows the same due diligence process as any other third-party delegate. The remediation plans are proposed and implemented the same way as for any delegate of 6M. This includes the control and the respect of the Col procedures in place.

#### 5.2.3. Conflict of interest related to redemption of investments

When 6M manages open-ended AIFs, 6M must identify, manage and monitor Col arising between investors wishing to redeem their investments and investors wishing to maintain their investments in the AIF.

#### 5.2.4. Conflict of interest related to the use of prime brokers services

6M might use in the frame of its activities of portfolio management different prime brokers. In this respect the following Col might arise (it being understood that this list is not exhaustive):

- Brokers may give priority to executing orders for its own clients or for other AIFMs with which it has close links, to the detriment of investors in the AIF managed by the AIFM;
- Brokers may charge excessive fees to AIFM for its services, thereby reducing investor returns;
- Brokers may receive incentives to favour certain financial products or services that do not correspond to the AIF's investment objectives;
- Brokers may not provide the AIFM with all the information necessary to make informed investment decisions;
- Brokers may not always execute AIFM orders at the best possible price, favouring their own interests or those of other clients, to the detriment of AIFs or their investors.
- Brokers may engage in market manipulation practices to influence the prices of financial instruments to the detriment of AIFs or their fund investors;
- Brokers may have close ties with the AIFM or its management, which may influence its decisions and create a risk of collusion;
- The AIFM and the broker may have cross-shareholdings, which can create conflicts of interest when one makes decisions affecting the other;
- Brokers may be involved in other activities that may create conflicts of interest with his AIFM brokerage services.

6M's strategy with respect to conflicts of interest that may arise, such as those detailed above, is one of complete absence of conflict of interest with respect to the use of the services of a broker.

Procedures to be followed and the measures to be adopted in order to manage conflicts of interest with reference to brokerage activities are the one described in section 6 of the Policy.

In addition, 6M shall notably:

- Upfront of the establishment of the relationship between 6M and the broker, 6M shall proceed with a sound due diligence on the broker;

- During the relationship between 6M and the broker, 6M shall monitor efficiently the activities of the broker; and
- Should any conflict of interest arise with the broker, 6M shall disclose such CoI to the AIFs and its investors.

#### 5.2.5. Conflict of interest related to portfolio management activities

Although precise potential conflict of interest that may arise in the frame of the activities of portfolio management when they are not delegated by 6M are described in annex, it is worth mentioning notably that it might give rise to the following circumstances:

- Self-dealing: portfolio management's team members may invest in assets that they own or have a personal interest in;
- Front running: portfolio management's team members may use confidential information to trade assets before executing orders for the AIFs;
- Misappropriation of assets: portfolio management's team members may use client money for their own personal use.

Procedures to be followed and the measures to be adopted in order to manage conflicts of interest with reference to portfolio management activities are the one described in section 6 of the Policy.

In this respect, 6M shall notably:

- Assess the likelihood and severity of the conflicts of interest. It might notably be assessed by considering the frequency of the portfolio management team interactions with the conflicting party and the strength of the relationship between them. Severity of a conflict can be assessed by considering the potential impact on the AIF's portfolio performance and the interest of the investors of said AIF;
- Strong internal controls and sound governance shall be put in place notably through the monitoring of the conflicts of interest by the Compliance function and the recording of conflicts of interest in the conflicts of interest register as described in section 6.4;
- Put in place a strong Whistleblowing Policy allowing the reporting of potential conflicts of interest so that 6M's employees can report them without fear of retaliation;
- ensure that employees are trained appropriately and comply with applicable laws and regulations;
- ensure to have the conflicts of interest's framework reviewed by the internal audit.

When 6M delegates the portfolio management function to a third-party, management of CoI shall be ensured at the level of the delegate in the frame of the due diligence performed by 6M on the latter, as described in point 5.2.1 above.

#### 5.2.6. Strategy regarding voting rights

Exercising the AIFs voting rights at shareholders' meetings is a key component of active ownership and an important way for the AIFM to communicate its views via the AIFs to the portfolio management or investment advisory teams.

6M has an appropriate and effective strategy to determine when and how voting rights attached to assets held in the portfolios of the AIFs managed are exercised, to ensure that these rights are only of the benefit of the relevant AIFs.

The strategy:

- Ensures the monitoring of relevant corporate events;
- Guarantees that voting rights that are exercised are done so in accordance with the objectives

and investment policy of the concerned AIFs;

- Prevents or manages any Col arising from the exercise of voting rights.

Details of steps to be taken notably in the case of pre-investment stage or post-investment stage when exercising voting rights by the portfolio manager or the investment advisor alternatively, are further detailed in the Voting Rights Policy of 6M. It is to be noted that 6M is typically not a direct shareholder of the assets of the AIFs, as the assets are acquired by the AIFs. Accordingly, the AIFM will cause the AIFs to systematically exercise voting rights in respect of the AIF' assets in accordance with the provisions of this Voting Rights Policy (or, as the case may be, in accordance with the provisions of the relevant shareholders' agreements).

#### 5.2.7. Gift and entertainment

The Company does not offer, give, solicit or accept gifts or invitations that are considered to be a source of conflict of interests with regard to obligations towards customers. An employee may only accept/offer a gift from/to a current or potential Customers or supplier if the gift is offered as a gesture of goodwill, and that this does not create an expectation or a sense of obligation of the Company or the employee to that customers or supplier, and vice versa.

The gift limit may not exceed a value of EUR 500,00 or its equivalent in other currencies or virtual assets and must be related to a commonly recognizable and acceptable event or occasion. Should an employee receive a business gift or entertainment greater than the value of EUR 500,00, then the employee should notify the Compliance Officer who will assess if it is acceptable and seek approval prior to accepting such business gift or entertainment.

In order to comply with the Luxembourg anti-bribery legal framework, the rules regarding gifts and entertainment strictly prohibit the employees from providing direct gifts or entertainment to a public sector official.

### 5.3. ESG Criteria and sustainability risks

6M must ensure a clear process with respect to the identification and mitigation of potential conflicts of interest that could arise within its operations and notably when it relates to sustainability risks.

In this respect, 6M has put in place:

- an ESG Policy;
- risk management and compliance teams are trained on ESG and sustainability risks matters.

The Commission Delegated Regulation (EU) 2021/1255 requires AIFMs to take into consideration sustainability risks and sustainability factors. This includes, when identifying the types of conflicts of interest that may damage the interests of an AIF, AIFMs should include conflicts of interest that may arise because of the integration of sustainability risks in processes, systems and internal controls.

These conflicts of interest could, among others, give rise to greenwashing, mis-selling, misrepresentation of investment strategies, or insufficient consideration of AIFs investor's sustainability preferences, which are by no means tolerated by 6M in the frame of its AIFs under management

At the level of the risk management function, a dedicated framework is in place to identify, measure and report the sustainability risks arising from the portfolio of the AIFs under management.

## 6. HANDLING CONFLICT OF INTERESTS, SUPERVISION AND ESCALATION

### 6.1. Preventive Measures

6M has implemented this dedicated Policy in order to put in place applicable safeguards and controls.

6M has implemented a sound due diligence process on its counterparties, any type of delegate, services providers and on each investment to identify any type of conflict of Interest upfront any set up of relationship with a counterparty, onboarding of an investor or approval of an investment or divestment decision.

6M shall ensure levels of independence and supervision for persons engaged in activities entailing a conflict of interest, including a full separation of portfolio and risk management functions in accordance with the requirements of article 42 in the Delegated Regulation 231/2013.

6M shall also consider the at-arms-length principle and in particular, preventative measures to limit any person from exercising influence that may be deemed as inappropriate, on the way a relevant person may carry out a service or business. The fact that a person holds a certain position within the Company should not be misused to seek or accept any business opportunity, favor or benefit to the detriment of customers or other employees or to achieve certain decisions.

### 6.2. Obligation to Refrain

In any situation, the employees of the Company have an obligation to act with egalitarian diligence toward Customers. Any employee who is in a potential or actual conflict of interests' situation shall refrain from acting in the context of the situation, at least until he/she has informed the Executive Committee and the Compliance Officer of this situation.

### 6.3. Proactive Disclosure of Conflict of Interest

Employees who become aware, identify or suspect circumstances which they believe may constitute a potential conflict of interests a priori or posteriori which is likely to have a material impact on the interest of a Customers, must proactively report the information in writing to the Compliance Officer as soon as possible.

It may happen that an employee, because of his/her personal situation, is potentially in a conflict of interests with his/her professional obligations.

However, a person related to an employee directly or indirectly, such as spouse, partner, ascendants, descendants or business partner cannot invest in an AIF. Although the benefit may comply with the applicable laws and regulations, this employee could directly or indirectly benefit from this situation. As a consequence, an objective analysis of the situation is necessary in order to determine whether there is a conflict of interests.

The Senior Management will then have to escalate the situation to the Board of Managers and the information will be reported in the Register whether the conflict of interest be actual or potential.

### 6.4. Conflict of Interest Register

In accordance with Article 22(1) of CSSF Regulation 10-4 and Article 35 of Delegated Regulation (EU) 231/2013, the Company must keep and regularly update a record of the types of activities undertaken by or on behalf of the Company as AIFM in which a conflict of interest entailing a material risk of damage to the interests of one of more AIFs or its investors has arisen or, in the case of an ongoing activity, may arise. This record must be specific to the organisation and activities of 6M. It is recommended that the record covers at least the following:

- identifies situations that give rise or are likely to give rise to a conflict of interest, the existence of which could be detrimental to the interests of one or more Customers, in connection with the provision of an investment or related service, as well as examples of the prevention principles that apply;
- describes potential or actual impacts of the conflict of interest;
- identifies the person or units/shares concerned by the conflict of interest;
- is updated on the basis of information received from employees, Senior Management;
- is communicated together with this Policy,
- is kept in the Company's electronic files and can only be modified by the Head of Legal and Compliance;
- mentions the date of the event or date on which the conflict of interest occurred or was discovered;
- describes the envisaged solutions and chosen measures (and where appropriate, the arrangements for informing investors);
- mentions the investor information procedures, where applicable.

The Register lists the actual and potential conflicts specific to the Company, especially the conflicts of the Company against AIFs and the potential conflicts arising from the relationship with the delegates when applicable as required by section 379 of the CSSF Circular 18/698.

Furthermore, the Register reflects the impact of all identified potential and/or actual conflict of interest.

Upon request, the AIFM must submit a copy of the Register to the CSSF.

Employees who identify or suspect a conflict of interest a priori or a posteriori on the basis of the detection criteria described in section 5.1 and the Register must report the information to the Head of Legal and Compliance as soon as possible.

Where appropriate, the Register should be updated by the Head of Legal and Compliance as required by section 379 of the CSSF Circular 18/698. Furthermore, the record reflects the impact of all identified potential and/or actual conflict of interest.

### 6.5. Management of Conflict of Interest

Once a conflict of interest is disclosed and identified, whether actual or potential, the Company shall take into consideration, the interests of the Company, the interests of its Customers, and the Company's duties with regard to the AIFs under its management, and the interests of the other AIFs managed by the Company.

It is up to the Head of Legal and Compliance to issue a recommendation to take the appropriate measures, in accordance with:

- the supremacy of the Customers' interests;
- the integrity of the financial markets;
- the confidentiality of personal information;
- the privacy of the concerned employee.

The Compliance Officer, ultimately the Executive Committee and the Board of Managers, may take any measure necessary to avoid or remedy a conflict of interests of one or more of its members or of the members of the Senior Management and the employees of the Company. In general, the Company will ensure that there are no conflicts of interest between the different activities of the Company.

If the measures put in place to mitigate these risks do not succeed in minimizing the impact of a conflict of interests, the Customers concerned will be informed.

In situations where conflicts of interest cannot be avoided, the Senior Management and the Board of Managers will take any necessary decision to ensure that in any case the Company acts in the best interests of the Customers and the AIFs.

Measures may include recusal of the member(s) of the Senior Management and the Board of Managers related to the conflict of interest. This will in particular be the case for any decision involving his/her personal interests or those of a person or entity to which he/she is directly or indirectly linked such as spouse, partner, ascendants, descendants or business partner or a legal entity placed under his control or that of a close person or entity, as well as any decision likely to contravene the duties of loyalty and diligence.

To manage conflicts of interest, where they cannot be avoided, the following, non-exhaustive suggestions to resolve the case can be taken into consideration:

- declining to act for a Customers, either completely or about a particular matter;
- disclosing Board of Managers members' interests at a Board meeting (by way of general advance disclosure if permitted by the Company's articles of association);
- disclosing Executive Committee members' interests at a Executive Committee's meeting;
- withdrawal of the concerned person from discussion and decision-making process;
- disclosure of a potential conflict to a customers;

- implementation of information barriers and segregation of duties and reporting lines between functions;
- appointment of an independent party to take the decision to continue the relationship with the customer.

It must be kept in mind that a fair treatment of the affected Customers is always predominant.

### 6.6. Escalation

Conflict of interest must be exposed immediately to the Head of Legal and Compliance and the Compliance Officer as soon as it arises, by internal and encrypted email.

In the meantime, function and activity leading to the conflict of interest should not be continued.

Each conflict of interest shall then be reported to the Executive Committee that shall in its turn report it to the Board of Managers.

Should a conflict of interest cannot be avoided by other measures, the Company shall disclose the nature and the source of the remaining conflict of interest to the Customers in a written communication.

### 6.7. Disclosure of Conflict of Interest to Customers

In accordance with Article 22(2) of CSSF Regulation 10-4 and Article 36 of Delegated Regulation (EU) 231/2013, the Company must inform customers of situations where the organisational or administrative arrangements it has made to manage conflicts of interest have not been sufficient to ensure, with reasonable certainty, that the risk of damage to the interests of the AIFs or its investors will be avoided.

Such information must be provided in a durable medium considered as appropriate. In addition, the Company must indicate to AIFs or its investor(s) the reasons for its decision in relation to these arrangements.

6M may provide the information referred to in section 383 of CSSF Circular 18/698 by means on its website under the conditions laid down in Article 36(2) of Delegated Regulation 231/2013.

6M segregates, within its own operating environment, tasks and responsibilities which may be regarded as incompatible with each other, or which may potentially generate systematic conflicts of interest. Where the AIFM assesses whether its operating conditions may involve any other material conflicts of interest, it discloses them to the customers.

Where the organizational or administrative arrangements made by 6M to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risk of damage to the interests of the AIFs or of its investors is prevented, the Senior Management is promptly informed so as to be able to take any measure necessary (decision or action) to ensure that the Company always acts in the best interests of its Customers.

6M clearly discloses the general nature or sources of conflicts of interest to the Customers of the situations referred to in the two paragraphs above by means of any appropriate durable medium or by means of a website and provides the reasons for its decision, before undertaking business on their behalf, and develop appropriate policies and procedures.



## **7. POLICY OWNER AND IMPLEMENTATION**

The Head of Legal and Compliance has been formally appointed as the owner of this Policy. Any amendment to this Policy may be made by the Legal and Compliance Function and Executive Committee and must be duly approved by the Board of Managers of the Company. The Policy must be updated on an annual basis at minimum and ad hoc upon trigger events, such as but not limited to, changes in applicable regulations.

## **8. APPROVAL**

This Policy has come into force by approval of the Executive Committee and has no signatures.

## ANNEX 1: REGULATORY REFERENCES

The Company takes the necessary steps to align its Conflicts of Interest Policy with current best practices and the relevant Luxembourg regulatory framework.

|                    |  |
|--------------------|--|
| <b>Laws</b>        | Law of 10 August 1915 on commercial companies  |
|                    | Law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended  |
|                    | Law of 17 December 2010 relating to undertakings for collective investment   |
|                    | Law of 12 July 2013 on alternative investment fund managers  |
|                    | Law of 19 December 2020 relating to the implementation of restrictive measures in financial matters implementing the restrictive measures in financial matters adopted at UN and EU level against certain States, persons, entities and groups   |
|                    | Law of 13 January 2019 creating a register of beneficial owners  |
| <b>Code</b>        | Criminal Code of the Grand Duchy of Luxembourg   |
| <b>Directives</b>  | Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010  |
|                    | Directive (EU) 2015/849 of the European Parliament and the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC |
|                    | Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing and Directives 2009/138/EC and 2013/36/EU  |
|                    | Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law  |
| <b>Regulations</b> | Grand-Ducal Regulation of 14 August 2020 amending the Grand-Ducal Regulation of February 2010 clarifying certain provisions of the amended law of 12 November 2004 on the AML/CFT  |



|                           |  |
|---------------------------|--|
|                           | Grand-ducal Regulation of 1 February 2010 providing details on certain provisions of the amended Law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended   |
|                           | CSSF Regulation N° 10-04 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company                                     |
|                           | Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision  |
|                           | CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing as amended by CSSF Regulation 20-05 in August 2020   |
|                           | CSSF Regulation N° 16-07 relating to out-of-court complaint resolution   |
|                           | Grand-Ducal Regulation of 14 August 2020 amending the Grand-Ducal Regulation of February 2010 clarifying certain provisions of the amended law of 12 November 2004 on the AML/CFT  |
| <b>CSSF<br/>Circulars</b> | Circular CSSF 11/528 on the abolition of the transmission to the CSSF of suspicious transaction reports relating to possible money laundering or terrorist financing   |
|                           | Circular CSSF 11/512 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company, as amended by the CSSF Circular 18/698 |
|                           | Circular CSSF 17/650 on the application of the AML/CFT Law and the Grand Ducal Regulation of February 2010 to primary tax offences, as amended by the CSSF Circular 20/744   |
|                           | Circular CSSF 17/671 on the specifications regarding CSSF Regulation N° 16-07 of 26 October 2016 relating to out-of-court complaint resolution, as amended by Circular CSSF 18/698   |
|                           | Circular CSSF 18/698 on the authorisation and organisation of investment fund managers incorporated under Luxembourg law and including specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent;   |
|                           | Circular CSSF 19/708 on the electronic transmission of documents to the CSSF   |
|                           | Circular CSSF 22/806 on outsourcing arrangements   |



## ANNEX 2: POTENTIAL CONFLICTS OF INTEREST (NON-EXHAUSTIVE LIST)

| Potential Conflicts of Interest                | Description of the potential conflict of interest  |
|--|--|
| Investment in assets having a link with 6M     | Conflict may arise if 6M invests in equity or virtual assets in which a person or company linked to 6M owns a significant participation.   |
| Unjustified risk taking                        | Conflict may arise if there is unjustified risk-taking in investments or divestments influenced by management or the investment advisor solely for their own interests.  |
| Non objective fees structure                   | Conflict may arise when fees to be paid to 6M, delegates or services providers of 6M are determined on the basis of success of the investments made by the AIFs  |
| High turnover rate for transaction fees        | Conflict may arise if there is an incentive for portfolio managers to apply a high turnover rate without justification, solely to increase transaction fees.   |
| Unjustified risk-taking for management fees    | Conflict may arise if there is unjustified risk-taking in investments or divestments solely to seek a substantial increase in management fees.   |
| Managing multiple AIFs                         | 6M may provide services to the AIFs under similar investment objectives and investment policies and focus on similar types of assets.  |
| Conflict of interest related to investor links | Conflict may arise if there are personal or business links between certain investors and employees of 6M, leading to preferential treatment, access to privileged information, or disproportionate benefits for those linked investors at the expense of fair and equitable treatment for other investors. This could potentially undermine the integrity of the investment process and create conflicts that may not be in the best interest of all investors. Implementing measures to ensure equal treatment and disclosure of such relationships is essential in mitigating this conflict. |
| Fair treatment of investors                    | the underestimating of sustainability risks may affect investor's interest if they clearly indicated their sustainability preferences  |
| Remuneration structure for employees           | Conflict may arise if the remuneration structure of portfolio managers' employees is not considering long-term fund performance and does not discourage excessive risk-taking.   |
| Personal transactions                          | Conflict may arise if operations made by 6M employees' conflict with those realized on behalf of a fund managed by 6M, causing prejudice to the fund due to price fluctuations.  |

| Personal relationship   | Conflict may arise if 6M employees have relationships and/or ownership in services providers that may conflict with 6M, its fund under management, or their investor's interest.  |
|---|---|
| Potential Conflicts of Interest   | Description of the potential conflict of interest   |
| Selection of services providers   | Conflict may arise if the choice of counterparties is influenced by economic, financial relations with 6M, or personal relations of familiar links of service providers with the employees or management of these counterparties.   |
| Delegates Conflicts of Interests arising from delegates                           | Conflicts may arise if the delegated or other services providers (Brokers, Depositary, and custodians) also serve competing funds or have financial interests that diverge from the funds under 6M management.  |
| Determination of value of funds' assets.  | Conflicts may arise if AFIM Senior Management/Investment Advisor influence the valuation process to artificially inflate or deflate the value of assets in the fund.  |
| Other mandates of board members of involvement in other actor of financial sector | The members of the Company or their respective affiliates, directors, officers, unit holders are or may be involved in other financial, investment and professional activities which may cause conflict of interest with the management and administration of the AIF. These include the management of other collective investment schemes, management of third-party assets, purchase and sale of securities, brokerage services, custody and safekeeping services and serving as directors, officers, advisors, distributors or agents of other collective investment schemes or other companies. |
| Independence of the control functions of the AIFM                                 | Risk that may arise by additional activities/roles headed by the person in charge of the control function on top of said control function.  |