



CARMIGNAC GESTION S.A.
CONFLICT OF INTEREST MANAGEMENT POLICY

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CONTENTS

1. INTRODUCTION.....	3
1.1 REGULATORY CONTEXT.....	3
1.2 DEFINITIONS.....	3
1.3 OBJECTIVES	4
1.4 SCOPE OF APPLICATION	5
2. DETECTION OF CONFLICTS OF INTEREST SITUATIONS.....	5
2.1 METHODOLOGY	5
2.2 IDENTIFICATION OF ALL THE RELATIONSHIPS OF THE GROUP	6
3. SYSTEM, ORGANIZATION & MEANS.....	6
3.1 CONFLICT OF INTEREST POLICY	6
3.2 CONFLICT OF INTEREST MAPPING.....	7
3.3 CONFLICTS OF INTEREST REGISTER	8
4. TRAINING	9
5. SANCTIONS AND ESCALATION.....	9

1. INTRODUCTION

1.1 REGULATORY CONTEXT

Companies in the financial sector must establish and maintain an adequate control system to be able to identify, prevent and mitigate situations of conflict of interest that may arise in the conduct of their activities. In this regard, the companies within the Carmignac Group (hereinafter "the Group") take all necessary measures to develop the appropriate system, in accordance with the applicable regulations in force.

1.2 DEFINITIONS

Situations **of conflicts of interest**, the existence of which may adversely affect a client's interests, may arise in the following cases:

1. The Group or a data subject is likely to make a financial gain or avoid a financial loss at the expense of the customer;
2. The Group or a data subject has an interest in the result of a service provided to the client or a transaction conducted on behalf of the client which is different from the client's interest in the result;
3. The Group or a data subject is induced, for financial or other reasons, to give priority to the interests of another client or group of clients over the interests of the client to whom the service is provided;
4. The Group or a person concerned conducts the same professional activity as the client;
5. The Group or a relevant person receives or will receive from a person other than the customer a benefit in connection with the service provided to the customer, in any form, other than commission or fees normally charged for that service.

Situations of conflict of interest may arise in the context of the provision of investment services, or related services, or the management of a collective investment scheme:

- A. Either between itself, the persons concerned, or any person directly or indirectly linked to the management Group by a relationship of control, on the one hand, and its clients or the collective investments managed, on the other hand;
- B. Either between two customers.

A **data subject** is any person:

1. a manager, member of the board of directors, supervisory board or management board, chief executive officer or deputy chief executive officer, any other corporate officer or tied agent of the respective portfolio management company;
2. an employee of the Group or a tied agent of the Group;
3. a natural person made available and placed under the authority of the Group or a tied agent of the Group and who participates in the management of a collective investment scheme by the Group;
4. a natural or legal person who participates, in accordance with a delegation of management of a collective investment scheme, in the management of a collective investment scheme by the Group.

A **tied agent** is any natural or legal person who, under the full and unconditional responsibility of the Group on whose behalf it acts, promotes investment services to clients, including potential clients, receives and transmits client instructions or orders concerning financial instruments or investment services, places financial instruments or provides clients, through canvassing, with advice on these instruments or services.

A person who has **a family relationship** with a person concerned is one of the following:

1. The spouse, spouse, or partner (with whom he or she is bound by a civil solidarity pact) of the person concerned who is not legally separated and living under the same roof;
2. Children over whom the person concerned exercises parental authority, or residing at home habitually or alternately, or for whom he has effective and permanent care;
3. Any other relative or relative by marriage of the person concerned residing at his domicile for at least one year on the date of the personal transaction concerned.

A situation in which a person has **close links** with a data subject is a situation in which those natural or legal persons are linked to:

1. Either by participation, i.e., holding, directly or through a relationship of control, 20% or more of the voting rights or capital of an undertaking;
2. Or by control, i.e., the relationship between a parent undertaking and a subsidiary, in all cases mentioned by local regulations or a similar relationship between any natural or legal person and an undertaking, any subsidiary of a subsidiary undertaking also being considered a subsidiary of the parent undertaking which is at their head.

A situation in which two or more natural or legal persons are permanently linked to the same person by a relationship of control shall also be considered to constitute a close link between those persons.

1.3 OBJECTIVES

The main objectives of this policy are:

1. Preserve the primacy of clients' interests in transactions conducted in a personal capacity by the persons concerned;
2. Prevent the emergence of potential conflicts of interest or identify proven conflicts of interest;
3. Ensure that data subjects do not use for personal purposes privileged or confidential information obtained in the course of their duties;
4. Ensure that individuals develop high ethical standards of professional conduct and do not derive personal benefit from their duties within the Group;
5. Comply with applicable laws and regulations relating to staff ethics, as well as good practices in this area.

1.4 SCOPE OF APPLICATION

The following are captured under this policy:

- Group employees bound by an employment contract;
- Trainees;
- Temporary workers;
- Persons seconded or seconded; and
- Any person working on a permanent or temporary basis within the Group if he or she holds functions for more than 4 weeks like those performed by permanent staff.

In addition, Carmignac may require that the employees of service providers and subcontractors of essential functions with whom it contracts are subject to equivalent ethical rules on the part of their employer.

2. DETECTION OF CONFLICTS OF INTEREST SITUATIONS

2.1 METHODOLOGY

Prior to the implementation of the conflicts of interest policy, it is necessary to proceed:

- an analysis with a view to identifying all the Group's relations with all persons concerned by its activities;
- and consequently, the identification of all theoretic situations and conflicts of interest that may affect the interests of one or more clients, at least in the cases provided for by the regulations.

The regulatory texts in force set out at least five situations in which the interests of the client(s) may be harmed. These situations are detailed as part of the conflicts of interest risk mapping.

If the Group, a relevant person, or a person directly or indirectly linked to the Group by a relationship of control:

1. is likely to make a financial gain or avoid a financial loss at the expense of a portfolio or its investors;
2. has an interest in the result of a service provided to the portfolio, its investors or a client, or a transaction conducted on behalf of the portfolio or a client, which does not coincide with the portfolio's interest in that result;
3. is encouraged, for financial or other reasons, to give priority to:
 - the interests of a portfolio, client or group of clients or other portfolio in relation to those of the portfolio concerned,
 - the interests of one investor in relation to those of another investor or group of investors in the same portfolio;
4. conducts the same activities for another portfolio or client as for a portfolio.
5. receives or will receive from a person other than the portfolio or its investors, in the form of cash, goods or services, a benefit in connection with the collective portfolio management activities conducted for the benefit of the portfolio other than commission or remuneration normally received for that service.

In the event of detection by a data subject of a conflict of interest, the information must be transmitted immediately by the latter to the Compliance and Internal Control Department (“Compliance”). Once this information is provided, the Group may:

- decline the operation that caused the conflict;
- accept the transaction and conflict situation and implement the necessary measures to manage the conflict in the best interests of clients;
- inform the customer in the event of a conflict that cannot be adequately framed as indicated in the two previous proposals.

2.2 IDENTIFICATION OF ALL THE RELATIONSHIPS OF THE GROUP

The Group takes all reasonable steps to identify conflicts of interest that arise in the management of a portfolio between:

- the Group, including the relevant persons and the portfolio(s) managed by the Group or unitholders or shareholders of such portfolio;
- The portfolio and the unitholders or shareholders of such portfolio and another portfolio or unitholders or shareholders of such other portfolio;
- the portfolio or unitholders or shareholders of such portfolio and another client of the Group;
- the portfolio or holders or shareholders of such portfolio and another portfolio managed by the Group or the unitholders or shareholders of such other portfolio; or
- two clients of the Group.

3. SYSTEM, ORGANIZATION & MEANS

The Group has internal regulations, a Code of Ethics and a procedural defining the mechanism for managing conflicts of interest. This system is composed of the following three pillars:

- A conflicts of interest policy;
- Mapping of conflicts of interest; and
- A conflicts of interest register.

Compliance oversees the maintenance and adequate updating of this system, under the supervision of General Management, with the applicable Regulations, the Group's activities.

3.1 CONFLICT OF INTEREST POLICY

Due to the regulated nature of the Group's activity, the regulations require the Group to define a conflicts of interest policy (the “Policy”).

The Group's Policy aims at preventing, identifying and, where appropriate, framing conflicts of interest that may arise in the conduct of its activity between its own interests and those of its customers or between the interests of several customers.

The Policy requires the identification of and monitoring thereafter of the following:

- the participation of a data subject in one or more investment services offered by the Group,
- the separation of activities likely to give rise to potential conflicts (for example, own-account activities and activities on behalf of third parties),
- the circulation of confidential or privileged information within the Group,
- corporate mandates exercised by the persons concerned in a private capacity or in the context of their professional activities,
- commissions paid or received in respect of services or activities conducted by or for the benefit of the Group,
- the method of remuneration of the persons concerned in connection with the distribution of financial products,
- any benefits or gifts received by persons concerned during their professional activity,
- the risk of conflicts of interest in the selection procedure for intermediaries and service providers,
- the implementation of an incident management procedure to preserve the primacy of the customer's interest,
- the establishment of a procedure for personal transactions,

The tools referred to in this Policy are:

- control procedures;
- Code of Ethics and Rules of Procedure;
- the Internal Control Plan;
- the climbing and information system;
- the reporting process / alert system

This Policy is available to clients on the Group's website.

3.2 CONFLICT OF INTEREST MAPPING

The Group identifies all situations of theoretical conflicts of interest that may occur in the conduct of its activities, within the risk mapping.

The purpose of risk mapping is to identify the supervisory measures that would be implemented in the event of the emergence of the potential conflict identified and to demonstrate its ability to adequately manage it.

The mapping of the Group's conflicts of interest revolves around distinct themes:

- Conflicts of interest directly related to the financial management activity;
- Conflicts of interest concerning direct and indirect remuneration received by SGP;
- Conflicts of interest concerning a lack of organization or a failure of procedures;
- Conflicts of interest concerning proprietary transactions, personal transactions of data subjects;
- Conflicts of interest concerning clients whose interests may conflict with those of other mandates/clients;
- Conflicts of interest in relation to corporate activities related to SGP;
- Conflicts of interest in relation to the activities of market intermediaries;
- Conflicts of interest in relation to privileged relationships of SGP or data subjects with issuers, distributors or related third parties.

Compliance periodically reviews the risk mapping to ensure its completeness and ensures that at each strategic / organizational evolution of the Group and each development of a new service or activity, conducts a mapping review.

3.3 CONFLICTS OF INTEREST REGISTER

Upon identification of a proven conflict of interest (either in the conduct of the internal control plan or, in the case of a specific escalation of a person concerned), Compliance updates the conflicts register and is responsible for ensuring the implementation of adequate supervisory measures.

Each entry in the conflicts register must indicate:

- The date of conflict identification;
- The date of conflict resolution;
- The mapping event to which the conflict can be attached;
- The name of the conflict;
- Conflict status;
- The internal and external stakeholders or clients concerned;
- The source of identification;
- The facts;
- A description of the conflict;
- Recommendations and actions implemented.

Register access is limited to Compliance.

If it transpires that a conflict of interest cannot be adequately mitigated, General Management and Compliance will determine, under the supervision of the Carmignac Group Compliance Committee, the appropriate way to bring the information to the attention of customers.

Compliance periodically reviews the conflict of interest register to confirm the correct status of the conflicts identified and ensures that necessary updates have been made, the relevance of the measures taken and the completeness of the conflict mapping.

4. TRAINING

It is essential that all persons in scope of this Policy fully understand their responsibilities and ensure strict compliance with the rules on conflicts of interest management in all circumstances, as violations of these rules may put the Group at risk, damage its reputation or even lead to potential regulatory sanctions.

To this end, all persons concerned shall receive appropriate training on internal rules and their obligations regarding the management of conflicts of interest. Compliance provides a compliance induction, after the arrival of a new joiner to the Group.

Upon hiring and on a regular basis thereafter, the persons concerned must formally attest to their understanding of this Policy and declare situations of potential conflicts of interest in accordance with this Policy.

5. SANCTIONS AND ESCALATION

Any violation of this Policy may subject those in scope, depending on its severity, to one of the disciplinary sanctions provided for in the Group's internal regulations.

Sanctions are applied in compliance with the rights of the employee and the prerogatives available to the staff representative institutions. In determining these sanctions, several elements will be assessed, such as the level of responsibility of the person concerned and whether he belongs to the category of sensitive personnel.

Any Policy deviation requires approval from Compliance and General Management through the Carmignac Group Compliance Committee.