

# CONFLICTS OF INTEREST POLICY

<b>Document type</b>	Luxembourg Policy
<b>Application</b>	Gen II Management Company (Luxembourg) SARL
<b>Owner/author</b>	Compliance
<b>Sponsor</b>	Compliance
<b>Publication date</b>	February 2024
<b>Next review date</b>	February 2025
<b>Version</b>	[6.0]

# OVERVIEW

The purpose of this Policy is to ensure that the Company identifies, manages, monitors and discloses as required appropriately any potential and actual conflicts of interest as one of the key elements of risk management. Gen II is committed to high ethical standards and to a fair treatment of its clients, the funds it manages and the funds' investors.

## Policy changes

Date	Responsible	Change
February 2024	Compliance	Annual Review
December 2022	Compliance - AR	Entire revision of the policy (formerly Col procedure)
July 2019	Compliance	
September 2018	Compliance	
December 2016	Compliance	
September 2014	Compliance	

Gen II Management Company ( L u x e m b o u r g ) S A R L is a public limited company governed by the laws of the Grand-Duchy of Luxembourg. For the conduct of its business activities, the Company is licensed by the CSSF as a management company whose business activities are governed by the provisions of Chapter 15 of the UCITS Law managing UCITS and UCIs.

In addition, the Company is also licensed by the CSSF as an alternative investment fund manager under the AIFM Law managing AIFs and is licensed as a management company for undertakings for collective investment adopting the denomination of EuVECA under the European Regulation (EU) N° 345/2013 on European venture capital funds.

## 1. Purpose

In line with and in complement to the Group Conflicts of Interest Policy, the Company shall establish, implement and maintain effective procedures to identify, prevent, manage, monitor or disclose any conflicts of interest that may arise during and in connection with the conduct of its business.

The procedures and measures implemented to minimise conflicts of interest shall be designed to ensure a sufficient level of independence of the persons engaged in the different business activities and shall be appropriate to the size and organisation of the Company and the nature, scale and complexity of its business. The aim of the effective management of conflicts of interest is to prevent these conflicts to adversely affect the funds under management of the Company and its investors.

**Conflicts of interest can cast doubt on the integrity and professionalism of the Company. Potential conflicts of interest must therefore be identified and addressed or avoided, as the case may be, at the earliest reasonable opportunity.**

The present Policy is made in view and for compliance with the following regulation:

- Article 109, paragraph (1), point b) and Article 111, point d) of the UCITS Law;
- Article 13 of the AIFM Law;
- Chapter III of the CSSF Regulation No 10-4;
- CSSF Circular 18/698;
- Delegated Regulation.

## 2. Application and Scope

This Policy is applicable to the Company including its board of directors, its senior management, Employees, directors and partners that, based on their interests held, may be in a situation of conflict, managers or agents of funds under management, any delegate or outsourcing partner whose services are performed under the supervision of the Company in the context of the Company's mandate as management company.

The aforementioned persons need to adhere to and respect the Policy and shall inform the Company's Compliance Officer of any conflict of interest they may have identified, if potential or actual, immediately upon awareness of that conflict. It is the responsibility of the Company's senior management to take all reasonable steps in order to ensure compliance with the Policy and provide the human and technical resources necessary for its implementation.

## 3. Policy

### 3.1. Identification of conflicts of interest

In accordance with the AIFM Law, conflicts of interest may arise between:

- the Company, including its managers, Employees or any person directly or indirectly linked to it by control, and the AIFs it manages or the investors in those AIFs;
- the AIF or the investors in that AIF and another AIF or the investors in that AIF;
- the AIF or the investors in that AIF and another client of the Company;
- the AIF or the investors in that AIF and a UCIT managed by the Company or the investors in that UCIT; or
- two clients of the Company.

Considering the business model of the Company, conflict of interest may arise where:

- The personal interests of individuals or companies related to, or involved with the Funds conflict with their professional duties (i.e. as representatives of the Funds); or
- The interests of the representatives of the Funds conflict with those of their other clients.
- The personal interests of individuals or companies related to, or involved with third party providers conflict with their professional duties (i.e. Fair selection of subdelegates);

For the purpose of identifying conflicts of interest the Company shall consider the question of whether the Company or a relevant person, or a person directly or indirectly linked to the Company by way of control, is in any of the situations described here below, whether as a result of providing collective portfolio management activities, collective valuation activities or otherwise. The following is a non-exhaustive list of criteria used for the purpose of identifying fund-related conflicts of interest:

- the Company or a relevant person stands to make a financial gain, or avoid a financial loss, at the expense of the funds under management;
- the Company or a relevant person has an interest in the outcome of a service or an activity provided to the Funds, or carried out on behalf of the Funds, which is distinct from the latter's interest in that outcome;
- the Company or a relevant person has a financial or other incentive to favour the interests of another client over the interests of the Funds;
- the Company or a relevant person receives inducements from third parties in relation to its products and services provided to the Funds; or
- integration of sustainability risks in the Company's processes, systems and internal controls.

### 3.2. Prevention and mitigation measures

The Company promotes values such as integrity and accountability to avoid and minimise conflicts of interest.

The Company has implemented measures to ensure an appropriate level of independence and/or supervision of Employees (including Senior Management) involved in any activity which might be subject to a conflict of interest. As such,

the Company ensures a full segregation of portfolio management and risk management activities, i.e. dedicated departments, independent reporting lines, including at senior management level.

Where a conflict of interest might arise, the involvement of a person that might impair the proper management of the conflict shall be limited by appropriate measures, such as, but not limited to, the abstention of the conflicted person to participate in the decision making process, declining a mandate, disclosing the conflict, implementation of segregation of duties and information (restricted access to information, dedicated staff, segregation of reporting lines), appointment of an independent party for the decision making.

Prior to entering into new business relationships and accepting any new business, the Company shall consider potential and actual conflicts of interest with its role or with existing clients. In case of identification of a conflict, such conflict should be addressed on an arm's length basis and shall be disclosed to the relevant parties; it shall be evaluated which action is to be taken to manage that conflict appropriately.

The Company has implemented regular training and awareness raising measures to ensure its Employees (including Senior Management) have the requisite level of knowledge and expertise to identify conflicts of interest. The Employees have at all times access to the Group Code of Conduct and the Company's Code of Conduct.

In accordance with UCITS Law and Regulation Nr 10-4, and as applicable to the business model of the Company, which is , in some cases, to delegate the collective portfolio management activities to external investment managers, the Company:

- prevents the exchange of information between the persons engaged in collective portfolio management activities involving a risk of a conflict of interest where such an exchange may harm the interests of one or more clients,
- prevents or limits any person from exercising inappropriate influence over the way in which a relevant person carries out collective portfolio management activities, and
- ensures the requisite degree of independence, through an ongoing monitoring of the investment managers to which the function of collective portfolio management is delegated.

The Company has also adopted a remuneration policy which does not include any 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.

The representatives of the Company and the funds under Company's management must always:

- Act in the best interests of the investors of the funds under management;
- Use their best endeavours to avoid or appropriately address any conflict between their individual interests and the interests of the investors of the funds under management; and
- Use their best endeavours to avoid or appropriately address any conflict between the interests of their other clients and the interests of the investors of the funds under management.



Considering the business model of the Company, conflict of interest may arise where:

- The personal interests of individuals or companies related to, or involved with the Funds conflict with their professional duties (i.e. as representatives of the Funds); or
- The interests of the representatives of the Funds conflict with those of their other clients.
- The personal interests of individuals or companies related to, or involved with third party providers conflict with their professional duties (i.e. Fair selection of subdelegates);

For the purpose of identifying conflicts of interest the Company shall consider the question of whether the Company or a relevant person, or a person directly or indirectly linked to the Company by way of control, is in any of the situations described here below, whether as a result of providing collective portfolio

### **3.3. Notification of conflicts of interest**

In the event any relevant person faces any fund-related conflict of interest, such person shall immediately notify in writing (i.e. email or letter) the Company and the board of directors of the relevant Fund.

Upon receipt of the notification, the senior management of the Company and the board of directors of the relevant Fund shall make arrangements for a meeting to take place as a matter of urgency. The meeting is to be attended by at least one representative of the senior management of the Company and an independent member of the board of directors of the relevant Fund, to discuss the conflict of interest as notified and in particular whether or not the said conflict is potential or actual, and if actual, to set up measures to resolve it and prevent future similar conflicts of interest, as applicable.

The proposal as to how to resolve this conflict of interest shall be put to a vote. Such proposal shall be deemed to be accepted if voted by a majority of meeting participant, i.e. members of the senior management of the Company and of the board of directors of the relevant Fund, it being understood that, in the event of a tie, the chairman of the board of directors of the relevant fund shall have a casting vote.

In case the conflict of interest originates from either the Company or its senior management or a member of the board of directors of the relevant Fund, then the actual conflicted person shall be prohibited to vote.

Minutes of the meeting referred to above shall reflect that proper and timely disclosure of a potential fund-related conflict of interest was made and that the actual conflicted person, if any, was prohibited from voting, and accordingly was not counted for a decision. The minutes shall also reflect all actions taken in response to the disclosure of the relevant conflict of interest.

### **3.4. Disclosure of conflicts of interest**

The Company shall clearly disclose the general nature or sources of conflicts of interest to the investors before undertaking business on their behalf in case the measures taken by the Company to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors' interest will be prevented.

### **3.5. Conflicts of interest register**

The Company shall establish, maintain and regularly update a register listing potential and actual conflicts of interest in relation to its business activities, its clients, funds under management and the funds' investors and entailing a material risk of damage to the interests of one or more UCIs or its investors. Such register shall contain the following information:

- the description of the conflict of interest (whether potential or actual);
- the identification of the person or shares/units/interests concerned by the conflict of interest;
- the date on which the conflict of interest occurred or was discovered, if and as available;
- the potential or actual impacts of the conflict of interest;
- the description of the mitigation measures undertaken to minimise the risk of damage of these conflicts of interest;
- where appropriate, the arrangements for informing investors.

The Compliance Officer of the Company shall report at least on a quarterly basis on conflicts of interest to the board of directors of the Company.

The Compliance Officer of the Company shall provide on an annual basis and upon request the Company's conflicts of interest register to the CSSF as required by applicable laws and regulation.

## 4. Review and publication

The present Policy shall be reviewed at least annually.

The Compliance Officer together with the Senior Management of the Company shall regularly monitor any new or existing business activities with regard to new and existing conflicts of interest and appropriateness of measures implemented to effectively minimise and manage the conflicts of interest.

The Conflicts of Interest Policy shall be published on the Company's website [www.gen2fund.com](http://www.gen2fund.com) and shall be available to the investors of the funds under the Company's management at the registered office of Company upon request.

## 5. Consequences

Gen II and its Employees are committed to high ethical standards. At all times, the Company expects its Employees to act with due care, honestly, lawfully and with the high level of professionalism, including the adherence to market standards to ensure at all times to act within the best interest of its clients, the funds under management and the funds' investors.

Gen II expects its Employees to be mindful of conflicts of interest and to take all reasonable action to assist in their identification, prevention, management and mitigation as required.

Failure to comply with this Policy, the Group's Code of Conduct and Ethics or other related policies, procedures, laws and regulations applicable to your role, will be viewed as a serious breach of your employment and may result in disciplinary action, up to and including termination of employment.

## 6. Derogations

Any requests for derogation from this policy must be submitted to the Group Policy and Procedures Committee ([policy@gen2fund.com](mailto:policy@gen2fund.com)).

Definitions	
AIF	Alternative investment fund
AIFM Law	Law of 12 July 2013 on alternative investment fund managers
Company	Gen II Management Company (Luxembourg) SARL
Gen II Group or Gen II or Group	Gen II and all legal entities which are direct or indirect subsidiaries of Gen II Corporate Holdings Limited
CSSF	Commission de Surveillance du Secteur Financier
CSSF Regulation No 10-4	CSSF Regulation No 10-4 of 20 December 2010 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
Delegated Regulation	European Commission Delegated Regulation (EU) Nr 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
Employee	includes all permanent and temporary employees, as well as secondees, external consultants, contractors and agency personnel whilst they are working with the Company or the Group.
P&PCo	Group Policy and Procedures Committee
Risk or Group Risk	means the team responsible for Compliance, Financial Crime, Risk Assurance (including the Compliance Monitoring Programme), Operational Risk, Legal, Data Protection and Company Secretarial for Gen II
UCI	Undertaking for collective investment
UCITS	Undertaking for collective investment in transferable securities
UCITS Law	Law of 17 December 2010 on undertakings for collective investment



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