

CONFLICTS OF INTEREST POLICY

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In accordance with the European Markets in Financial Instruments Directives (MiFID I/II), Spirit Asset Management ("Spirit AM") is required to introduce effective administrative and organizational measures to identify, control and manage conflicts of interest. Spirit AM has issued a policy to protect its clients' interests which outlines the arrangements put in place to manage conflicts of interest that may arise when it provides services.

1. Our conflicts of interest management policy

Spirit AM operates in various countries and offers clients many services:

- discretionary management,
- investment advice,
- Investment funds management.

Like any financial services company, Spirit AM is potentially exposed to conflicts of interest resulting from its diverse activities. Protecting clients' interests is a top priority for Spirit AM, so the conflicts of interest policy is designed to:

- identify any situation that could give rise to a conflict of interest that might create a risk of damage to clients' interests,
- implement appropriate systems and mechanisms to manage these conflicts.

2. Conflicts of interest situations

The following are some examples of situations which may give rise to conflicts of interest. This list is not exhaustive:

- conflicts of interest between Spirit AM and its clients, for example when we supply a service while having a material interest or some involvement in the transaction, product or service.
- conflicts of interest between several clients, if the interests of the different parties are materially opposed.

Potential conflicts of interest may include the following:

- Situations in which the provision of investment advice or portfolio/fund management services is influenced by other interests of Spirit AM or its employees.
- Taking part in a transaction as the representative of several clients.
- Providing advice on investing in financial instruments issued by a company with which Spirit AM has other business dealings.
- Discretionary managed portfolios may be invested in the investment funds' compartments managed by Spirit AM.
- Holding confidential information about other clients that, if divulged or used inappropriately, would have an impact on the services that we provide to them.
- Accepting gifts or inducements that could be considered as contrary to our obligations towards our clients.
- Spirit AM employees engaging in external activities or maintaining personal relations that could potentially harm our clients' interests.

3. Management of potential conflicts of interest

The following is a summary of the measures implemented to prevent and manage conflicts of interest.

a) Policies and procedures

In all its activities, Spirit AM has established policies and procedures designed to prevent and manage potential conflicts of interest.

b) Segregation of duties and escalation process

Spirit AM has established an appropriate segregation of duties within activities and departments and has implemented an appropriate escalation process when identifying a conflict of interest policy.

c) Confidentiality of information

Employees must strictly observe the confidentiality of client information, and may not share this information or use it inappropriately. In addition, Spirit Asset Management has set up information barriers and procedures to prevent any unauthorized exchange of information between employees.

d) Remuneration and inducements

Remuneration and bonuses are directly related to the profits of Spirit AM, not to the performances of another entity or products with which conflicts of interest are possible.

Commissions, remuneration and non-monetary benefits offered to or received by third parties in connection with a service provided to clients shall be acceptable only if (1) it is authorized by regulation depending on the investment service provided and (2) the client is informed of such commissions, remuneration and nonmonetary benefits in the conditions prescribed by law and (2) the inducement being paid is a normal commission or remuneration aimed at improving the quality of service offered and does not prevent Spirit AM from continuing to act in the interests of its clients.

e) Employees' personal transactions

To prevent conflicts of interest resulting from the use of information obtained from clients and market abuse in general, all employees are required to report their personal transactions.

f) Employees' outside business interests

Spirit AM identifies and manages employees' outside business interests and external activities.

g) Gifts

Spirit AM employees may not accept gifts other than those that are considered normal in their area of activity as excessive gifts from clients may create a conflict of interest.

h) Asset management services

Spirit AM provides asset management services in accordance with the agreed investment guidelines through an investment selection process reflecting the interests of the client. It has also implemented an appropriate annual control plan of asset management activities to ensure the egalitarian treatment of investors.

i) Disclosure obligation

If it is not possible to manage a conflict satisfactorily, the conflict of interest will be disclosed so that the client may take an informed decision about whether to continue to use Spirit AM's services in this specific situation.

j) Option of declining a service request

If Spirit AM considers that a conflict of interest cannot be resolved, it may decline the request of a client and refuse to act on behalf of that client in order to protect its interests.