

Prevention and management of conflicts of interest

In accordance with the regulations in force stemming from the Commission's Delegated Regulation (EU) N°231/2013 of December 19, 2012 and the AMF's General Regulations, Ekkio Capital establishes and keeps operational a policy for managing conflicts of interest and implements specific measures in terms of organization (means and procedures) and control in order to **prevent, identify and manage situations of conflict of interest** that could harm the interests of its clients.

DEFINITION

Generally speaking, a conflict is likely to exist whenever a situation is likely to harm a customer's interests. The categories of potential conflicts are as follows:

- **conflicts involving several clients**, e.g. if Ekkio Capital, offering its services to two clients, favors one of them by giving priority or preference to its operations.
- **those involving clients and Ekkio Capital, its service providers, delegates and any company linked to Ekkio Capital by a relationship of control**, for example if Ekkio Capital were to offer a service that would be more profitable for it to the detriment of clients' interests;
- **those involving Ekkio Capital's clients and employees**, for example if employees carried out operations on their own behalf, or generating a direct or indirect financial advantage, using confidential information concerning holdings, clients or portfolios;
- **those involving several FIAs managed by Ekkio Capital**;
- **those involving a client and a business introducer**;
- **those involving a client and a strategy consultant or sector expert**.

Ekkio Capital's conflicts of interest may arise from :

- financial management: fair treatment of investors, transactions between managed funds, interference by a third party in the investment strategy implemented;
- direct and indirect remuneration, paid or received, in relations with the fund under management: transparency of information given to investors, choice of intermediaries, benefits and gifts, etc.
- variable remuneration of financial managers;
- asset transfers between managed funds;
- co-investment with other funds.

PREVENTION SYSTEM

To prevent conflicts of interest, all Ekkio Capital staff must be made aware of internal and industry rules and codes of conduct, and strict procedures must be put in place:

- Compliance and internal control system

Ekkio Capital's RCCI ensures compliance with these rules and procedures.

- Code of ethics

Ekkio Capital employees are required to adhere to the company's internal code of ethics, which aims to ensure compliance with principles relating to the primacy of customer interests and the prevention of conflicts of interest. Each employee is obliged to behave loyally and act fairly in the interests of clients, while respecting the integrity, transparency and security of the market.

- Rules governing personal transactions, outside functions and mandates, and gifts received and offered

Ekkio Capital employees are subject to rules governing and declaration of transactions carried out on their own behalf, functions and mandates they hold outside their professional activity, and gifts they receive or offer to their customers, suppliers and partners.

- Compensation framework

Ekkio Capital has set up a system for identifying and classifying the benefits and remuneration it receives and pays, in order to ensure compliance with the applicable provisions.

Ekkio Capital has also drawn up a remuneration policy for its employees that complies with the requirements of the joint AFG, France Invest and ASPIM provisions on remuneration policies within management companies, and with the requirements of the AIFM Directive.

IDENTIFICATION OF CONFLICTS OF INTEREST

An annual review of activities carried out in order to detect situations of conflict of interest likely to harm customer interests is carried out through the formalization of a conflict of interest risk map. This mapping specifies the types of activity in which a conflict of interest is likely to occur, and lists the systems and procedures in place to prevent any risk of such a conflict arising.

MANAGING CONFLICTS OF INTEREST

In accordance with regulations, the RCCI keeps and updates a register recording, where necessary, the types of investment or related services, or other activities carried out by or on behalf of Ekkio Capital for which a conflict of interest has arisen. A note explaining the context and the way in which this conflict was managed is systematically drawn up.

Finally, should Ekkio Capital find that the measures deployed are insufficient to guarantee, with reasonable certainty, that the risk of harming the interests of clients can be avoided, the company will inform the clients concerned in writing of the nature of the conflict or the source, so that they can make their decision in full knowledge of the facts.