



Policy for the management of conflicts of interest

29 October 2021

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1. Background and purpose

- 1.1. Being the manager of alternative investments funds, Obton Forvaltning A/S (the "**Company**") is comprised by the rules in Consolidated Act No. 1047 of 14 October 2019 on alternative investment fund managers etc. (the "**AIFM Act**").
- 1.2. The policy for the management of conflicts of interest (the "**Policy**") has been prepared according to the requirements stated in Directive 2011/61/EU of 8 June 2011 (the "**AIFM Directive**"), the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 (the "**AIFM Regulation**") and the AIFM Act.
- 1.3. This Policy has been prepared for the purpose of ensuring that the Company takes all reasonable measures to prevent and manage conflicts of interest, including by ensuring sufficient separation of internal functions and protecting the Company, investors, investment funds and others directly or indirectly associated with the Company.
- 1.4. The Policy is supplemented by the Company's other policies on risk management and remuneration etc.

2. Scope of application

- 2.1. The Policy applies to the Company's Board of Directors, Board of Management and employees, consolidated companies and others directly or indirectly associated with the Company through regulatory matters where they deal with conflicts of interest.
- 2.2. Conflicts of interest in the Policy means potential as well as current conflicts of interest.
- 2.3. The Policy lays down the general standards and principles to be observed when identifying and managing conflicts of interest at the Company.

3. Roles and responsibility

- 3.1. The Company's Board of Directors has the general responsibility for laying down a policy for the management of conflicts of interest. The Board of Directors is responsible for arranging the Policy to make it possible to ensure reasonable measures with a view to identifying, preventing, controlling and monitoring conflicts of interest. The Board of Directors is also responsible for adopting principles and standards to manage conflicts of interest.

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3.2. The Company's Board of Management is responsible for making sure that the Policy is implemented and complied with. The detailed measures are described in section 7.

4. Elements in the assessment of potential or current conflicts of interest

4.1. The Company assesses that a conflict of interest could occur between a) the Company and the managed, alternative investment funds, b) the Company and investors in the alternative investment funds, c) the managed, alternative investment funds mutually and d) the investors mutually.

4.2. Criteria for the assessment of whether there is a conflict of interest:

- i. The Company itself, a relevant person or a person who is directly or indirectly associated with the Company through regulatory matters
 - i. can obtain a financial gain or avoid a financial loss at the expense of an alternative investment fund or their investors.
 - ii. has another interest than the managed, alternative investment funds in the outcome of a service delivered to or an activity performed for the investment funds or their investors or a different customer or a transaction made on behalf of the managed, alternative investment funds or a different customer.
 - iii. has a financial or other incentive to
 - i. put the interest of a collective investment undertaking, a different customer, a customer group or a different alternative investment fund above the individual alternative investment fund.
 - ii. put the interest of one investor above the interest of a different investor or investor group in the same alternative investment fund.
 - iv. performs the same activities for an alternative investment fund and for a different alternative investment fund, a collective investment undertaking or a customer.

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- v. receives or will receive from a different person than the alternative investment funds or their investors an incentive in connection with collective portfolio management for the alternative investment funds in the form of an amount of money, goods or services beyond the standard commission or the fee for the relevant service.

5. General measures to manage conflicts of interest

- 5.1. The Company must take measures to prevent conflicts of interest in the management of the alternative investment funds with a possible adverse impact with reference to the alternative investment funds or their investors' interests.
- 5.2. Based on the group business model according to which the group companies that manage alternative investment funds must negotiate and make investment decisions for the funds regarding the projects which other consolidated companies have developed, the Company has special focus on mitigating that type of conflicts.
- 5.3. If employees, members of the Board of Directors, the Board of Management and others become aware of a current or potential conflict of interest, the Company's CEO must immediately be notified and must receive information about the detailed nature of the conflict of interest. Each department at the Company must be geared to act so that no conflict of interest will occur and must prepare business procedures that make it possible to identify conflicts of interest.
- 5.4. The Board of Directors is responsible for making sure that all reasonable measures to avoid conflicts of interest are being taken at the Company at all times. Legislation requires "reasonable measures" meaning measures that are possible for the Company in practical as well as financial terms.
- 5.5. If it is not possible for the Company to sufficiently prevent conflicts of interest from having an adverse impact according to the interests of the alternative investment funds or investors, the Board of Directors must ensure that the management of the conflict is appropriate. The responsibility for the management of conflicts of interest rests with the Board of Management, see the Business Procedure for the management of conflicts of interest.
- 5.6. The management and employees must at all times perform activities in accordance with honest business practice and good practice within the management area. To observe that general obligation, the Company must have sufficient resources in each function of the Company.

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5.7. The procedures that the Company must establish to manage, control and monitor the identified conflicts of interest are:

- i. Mitigating initiatives in connection with the group business model where the Company must negotiate and make investment decisions for the funds regarding projects which other consolidated companies have developed, for example through external valuation or other initiatives.
- ii. Organisational separation of functions so that the functions at the Company do not control the procedures which the function is responsible for performing to the extent possible in relation to the size of the Company.
- iii. Internal rules to restrict the employees from taking on external assignments that can affect the performance of their tasks for the Company.
- iv. Internal rules on restrictions in relevant employees' access to personal trade, holdings and management of own means and internal control procedures within the area.
- v. Control procedures to ensure that investments are in accordance with the investment policy and instruments of incorporation of the managed, alternative investment funds so that the identified persons with potential conflicts of interest do not obtain a financial gain at the expense of the managed, alternative investment funds or their investors.
- vi. Procedures to ensure that the identified persons do not receive rewards or anything else beyond the standard commission for sales in the managed, alternative investment funds which may cause investments in and for the alternative investment funds to not be made according to the interests.
- vii. Procedures to guarantee all investors' interests in case of a request for redemption so that investors are not needlessly affected by other investors wishing to redeem their investments before other investors in one single alternative investment fund.
 - i. The Company must ensure that any investor who would like to invest means in the alternative investment funds managed by the Company know the exit strategies for the entire fund and for each investor. In connection with the strategies, the Company must also ensure correct information about each investor's possibility to exercise its receiving redemption right.

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5.8. An account of identification of potential conflicts of interest is given in the Business Procedure for the management of conflicts of interest.

6. Recording

6.1. The procedures and job descriptions that are introduced at the Company for the purpose of managing conflicts of interest must be arranged so that the Company's management and employees at each department record non-identified, potential risks in the Company's Learning Library.

This is intended to lead to the Company's management handling current and potential conflicts of interest, thus being able to identify, prevent, control and monitor them according to this Policy. The recording must follow notification about the conflict of interest to the Company's CEO.

6.2. Once a year, the Company's CEO must report to the Company's Board of Directors re. the identified conflicts of interest and any conflicts of interest made topical and their management.

6.3. In case of conflicts of interest of a specifically extensive and significant nature, the Board of Directors must be informed. In that case, the decision-making authority re. the management of the conflict of interest will pass to the Board of Directors.

7. The role of the Board of Management

7.1. The Company's Board of Management must ensure that the Policy is complied with. The Board of Management must clarify the policy in business procedures etc. supporting the identification of potential and current conflicts of interest.

7.2. The Board of Management is responsible for making sure that the arrangement of the Company, organisationally and administratively, can take all reasonable measures with a view to identifying, preventing, controlling and monitoring conflicts of interest so that they will not have any adverse effect on the managed, alternative investment funds or the investors of the funds.

The Company must also be arranged with sufficient internal procedures and processes to manage identified conflicts of interest. Thus, the Board of Management must ensure that potential conflicts of interest are identified at the Company according to legislative requirements.

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7.3. The Board of Management is responsible for making sure that the Company's employees, for whom it is deemed relevant, receive information of where to find the Policy and receive information in case of changes made to this Policy.

8. Updating and availability

8.1. This Policy and any related procedures and measures must at all times be revised in response to changes in legislation, guidelines from the Danish Financial Supervisory Authority (*Finanstilsynet*) and other matters requiring revision. Furthermore, the Policy must be revised if there are major changes to the conditions forming the basis for the wording of the Policy, including in the Company's business activities or organisation.

8.2. When relevant based on changes in the Company's conditions and at least once a year, the Board of Directors assesses whether the Policy is sufficient in relation to the Company's business activities, organisation, resources and the market conditions under which the Company is doing activities. This assessment is made based on the risks to which the Company is exposed, including the influence of the business model on the risk and risk levels. Matters such as the Companies' number of employees, competencies, IT systems and the Company's internal communication must also be considered when revising and updating the Policy.

8.3. Based on the reporting paths and reporting requirements laid down through the Policy and the business procedure laid down accordingly, the Board of Directors must supervise that the process and procedures in this Policy are observed. In case of disagreement between the Policy and the actual conditions at the Company, the Board of Directors must assess which initiatives should be changed.

8.4. The Compliance function checks whether the Policy and other management documents such as business procedures and job descriptions comprised by the information hierarchy are in accordance with the Policy.

8.5. Each field of work within the Company is responsible for establishing working procedures according to the Policy, internal controls to support and ensure compliance with rules re. conflicts of interest.

Adopted by the Board of Directors on 29. October 2021,

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Signatory	Position
Esben Vibe	Chairperson of the Board of Directors
Lars Bentsen	Board Member
Oliver Dahl Peters	Board Member

Accepted by the Board of Management on 29. October 2021,

Signatory	Position
Anders Marcus	CEO
Søren Lindgaard	CFO

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Change log

Change	Basis for the change	Date of internal change	Party responsible for the change	Importance to the Policy
The entire document	Revision and update of the contents of the Policy	18 November 2019	KSK	The Policy has been revised and updated to be consistent with the Company's remaining management documents.
Change of date and layout		10 February 2020	KSK	None
A revision of the content according to Consolidated Act No. 1047 of 14 October 2019 on alternative investment fund managers etc.	Revision of act	11 November 2020	KSK	None
Clarifications and the addition of clauses 4.1, 5.2, clause 5.7.(i), clauses 8.1 and 8.2.	Revision and update of the contents of the Policy.	17 June 2021	SKJ	Clarification of responsibility for mitigating initiatives in case of a conflict of interest between consolidated companies. Removal of the passage about conflicts of interest between the Board of

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				<p>Directors, the management and employees mutually.</p> <p>Further numbering of clauses in chapter 5.</p> <p>Updating of Policy when relevant, including in case of changes to the Company's business activity or organisation but still at least once a year.</p>
all		29.october 2021	KMB	Translation into English