

OBTON

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CONFLICTS OF INTEREST POLICY

Policy Approver	Board of Directors
Accountable Management Lead	CEO
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1. INTRODUCTION

- 1.1. At Obton Forvaltning A/S (“**Obton**“, the “**company**“), we are committed to maintaining the highest standards of integrity, professionalism, and fiduciary responsibility in all our business activities. As part of this commitment, the board of directors (the “**Board of Directors**“) has adopted this conflicts of interest policy (“**COI Policy**“) to safeguard the interests of our clients, investors, and the integrity of the financial markets in which we operate.
- 1.2. The trust of our investors and the confidence they place in us is the foundation on which Obton is built, and we are committed to always acting in the best interest of our investors and to manage our funds with due skill, care and diligence. A key element to maintaining the trust of our investors and to foster a culture of honesty and integrity is to be transparent with regard to potential conflicts of interest that may arise in the course of our investment management activities.
- 1.3. Accordingly, the objective of the COI Policy is to identify, prevent, and effectively manage conflicts of interest that may arise in the course of our operations as an investment fund manager. By adopting this COI Policy, we aim to ensure that any conflicts are addressed in a transparent, diligent, and responsible manner.
- 1.4. This COI Policy governs the company’s management of conflict of interests in its professional capacity as an alternative investment fund manager. For details on how employees should deal with conflicts of interests related to their personal circumstances, please refer to the Code of Ethics and Business Conduct.

2. REGULATORY BACKGROUND

- 2.1. The COI Policy has been drafted to meet the requirements set out Sections 18(1)(3) and 23 of the Danish Alternative Investment Fund Managers Act (the “**AIFM Act**“) and articles 30-37 and 63 of the Commission Delegated Regulation (EU) No 231/2013 (the “**Level 2 Regulation**“).

3. IDENTIFYING CONFLICTS OF INTEREST

3.1. What is a conflict of interest?

3.1.1. In general, a conflict of interest occurs when an individual or company involved in multiple interests finds themselves in a decision-making situation where serving one of those interests would harm another.

3.1.2. When the investors commit to an investment in one of Obton's funds, we are entrusted with the responsibility for the allocation, management and oversight of the funds' combined pool of capital in order to create long-term value for the investors. **This is our principal interest at all times.**

3.1.3. A conflict of interest might therefore arise if Obton and/or its affiliated companies ("**Obton Group**"), or any of its board members, executive directors, partners, employees or delegates ("**Relevant Persons**"):

- a) is likely to make a financial gain, or avoid a financial loss, at the expense of our funds or any individual investor;
- b) has an interest in the outcome of a service or an activity provided to a fund or any individual investor;
- c) has an interest in the outcome of a transaction carried out on behalf of a fund, which is distinct from the fund's interest in that outcome;
- d) has a financial or other incentive to favour
 - i. the interest of one fund over the interest of another fund;
 - ii. the interest of one investor over the interest of another investor or group of investors in the same fund;
- e) carries out the same activities for several funds; or
- f) receives or will receive from a third-party an inducement in relation to management activities provided to a fund, in the form of monies, goods or services other than the standard commission or fee for that service.

3.1.1. In light of the abovementioned criteria, the Board of Directors has identified a number of circumstances inherent to the company's organization and business model that either constitutes or could lead to conflicts of interest. These circumstances are detailed in Appendix I.

4. PREVENTING AND MANAGING CONFLICTS OF INTEREST

4.1. Obton deploys various tools and measures avoid and manage conflicts of interest:

4.1.1. Cultivating an ethics-based corporate culture. Ethical behaviour is an integral part of being employed at Obton, and all Relevant Persons are expected to act honestly, with due skill, care and diligence and fairly in conducting their activities. This includes making every effort to achieve transparency and fairness throughout decision-making processes and to report any conflicts of interest

4.1.2. Remuneration and bonuses. Our remuneration policies and practices are designed to avoid creating conflicts of interest or incentives that could lead employees to favour Obtons' interests to the potential detriment of any fund or investor.

4.1.3. Inducements. Obton does not receive fees, commissions, gifts, kickbacks or any other form of payment from any third-parties as part of its investment management activities.

4.1.4. Chinese walls. Where reasonably possible, we have created information barrier protocols designed to prevent exchange of information or communication that could lead to conflicts of interest.

4.1.5. Separation of key functions from other business units. Our valuation function is functionally and hierarchically separated from the business units, including the portfolio management activities. Risk Management and Compliance is formally a part of the Legal department but has direct reporting lines to both the CEO and the Board of Directors. Relevant Persons involved in the performance of these functions therefore operate on an independent basis

and have the right to refer any observed irregularities directly to the senior management.

4.1.6. Investor representation on fund boards. All board members in our funds are appointed by – and among – the investors themselves. This provides an independent oversight of Obton and our compliance with the underlying agreements, investment strategy and risk profile. All investments are presented to the fund boards prior to execution.

4.1.7. Transparency and disclosures. Obton is committed to clearly disclose conflicts of interest to the investors before undertaking business on their behalf. Information regarding our conflicts of interest are disclosed as part of the marketing material for the funds and any specific conflicts that may arise are disclosed via individual communications.

4.2. For details on the actions and measures Obton have taken to mitigate conflicts of interest, please refer to Appendix I.

5. MONITORING AND ESCALATION

5.1. The Accountable Management Lead is responsible for monitoring and continuously assessing the activities carried out or on behalf of Obton and for updating Appendix I when relevant.

5.2. In order to document and monitor specific conflicts of interest that have or may arise over the course of the day-to-day management of the funds, the executive management shall ensure that an electronic conflicts of interest register (“**COI Register**“) is kept and maintained by the company.

5.3. All employees are obligated to report conflicts of interest which they identify over the course of their daily work. The reporting is done by making an entry in the COI Register. The Accountable Management shall ensure that clear instructions for making entries in the COI Register are available to the employees at all times.

5.4. Compliance must submit the COI Register to the Board of Directors on a yearly basis.

6. DISCLOSURES

- 6.1. If the measures implemented by Obton to prevent or manage conflicts of interest are not deemed sufficient to reasonably ensure the prevention of material risks that may harm the investors' interests, the specific nature and/or sources of the conflict must be disclosed to the investors in a clear and durable format before providing services to the investors. In its disclosure, Obton shall also outline the steps and measures taken to mitigate the conflicts of interest.
- 6.2. Such disclosures can be made via the project material (for pre-existing conflicts), via individual investor communications, or via the investor portal. If the latter option is opted for, the information must be accessible continuously for such period of time as the investor may reasonably need to inspect it.
- 6.3. On the rare occasion that Obton determines that a material conflict involving one or more specific investors cannot be managed through disclosure or any other means, Obton reserves the right to deny the investor(s) access to our funds

7. REVIEW AND APPROVAL

- 7.1. This COI Policy shall be reviewed and updated (when relevant) by the Accountable Management Lead at least annually. Any amendments to the policy must be approved by the General Counsel and the Board of Directors.

Adopted by the Board of Directors

Signatory	Position
Søren Strøm <small>Signed by: Søren Strøm</small>	Chairperson of the Board of Directors
Christian Jelsbech <small>Signed by: Christian Jelsbech</small>	Board Member
Knut Erling Røsjorde <small>Signed by: Knut Erling Røsjorde</small>	Board Member

APPENDIX I – CIRCUMSTANCES THAT MIGHT CAUSE CONFLICTS OF INTEREST

We have identified the following key peculiarities related to Obton's business model and organization that can potentially lead to a conflict of interest:

Between	Potential conflict	Mitigation
<p>Obton and the managed AIFs</p>	<p><u>Relationship with affiliated entities</u></p> <p>Obton is part of Obton Group, which also includes the companies Obton A/S and Koncenton A/S (the “Affiliated Companies”).</p> <p>It is an integral part of the Obton business model that the company relies on the resources of the Affiliated Companies in a number of contexts in order to provide cost-efficient and flexible management services to the funds under its management. While this intragroup collaboration is advantageous for the investors from a “value for money”-viewpoint, it also creates a risk that the financial well-being of the Affiliated Companies could potentially influence decision-making and behavior at Obton to the detriment of the funds:</p> <p>(a) Acquisition of investment assets: All investment assets acquired by the funds managed by Obton is provided by the Affiliated Companies. This creates the potential risk that Obton would agree to acquire an asset on behalf of a fund from an Affiliated Company on terms that are favorable to the Affiliated Company compared to if Obton had to acquire the asset from an independent third-party provider, or in other ways make investment-related decisions designed to maximize profits and minimize risks for the Affiliated Company.</p>	<p>All new investments are screened internally by Obton's investment committee. As part of the screening process, the Affiliated Companies are required to present evidence that the purchase price is aligned with market standards. Such evidence must be based on assessments made by independent third-parties, such as real estate agents, auditors or other asset appraisers (depending on the asset class).</p> <p>Once a potential new investment has been screened internally, it is presented to the board of directors of the fund (the fund board). The fund board reviews the commercial and legal terms of the acquisition and makes an independent assessment of whether the fund should proceed to acquire the asset based on the presented terms. This investment governance structure has been established to give the investors comfort that Obton cannot “push” investments on terms that the investor-appointed representatives on the fund board are not satisfied with. If the fund board finds an</p>

(b) **Purchase of asset-related services:** Obton has appointed the Affiliated Companies to provide certain asset-related services to the funds. This creates the potential risk that Obton would agree to acquire services on behalf of a fund from an Affiliated Company on terms that are not in conformity with market standards.

investment proposal to be unsatisfactory or unattractive, Obton is required to either renegotiate the acquisition terms to the satisfaction of the fund board or abandon the proposal entirely.

Once the acquisition terms have been approved by the fund board, the investment case is “locked in” and any decision to materially alter or rescind the agreed acquisition terms cannot be made without the fund board’s prior consent.

Obton’s reliance on the Affiliated Companies in connection to certain asset-related services is disclosed to the investors in the project material, which contains a general description of the intra-group arrangement. The commercial terms for the provision of the specific services that are to be provided to each fund are further detailed in a triparty framework agreement entered between Obton, the Affiliated Company and the relevant fund. The framework agreement is disclosed to the investors as part of the document package that all investors receive prior to their investment.

Accordingly, all investors make their investment decisions on a fully informed basis.

By having the fund as a formal party to the framework agreement between Obton and the Affiliated Company, the terms of the agreement cannot be altered without the consent of the fund board, ensuring that Obton and the Affiliated Company cannot subsequently change the terms on their own accord.

Obton, the Affiliated Companies and the relevant fund renegotiate prices and terms at least once a year to ensure conformity with market standards.

(c) **Co-investments by Obton and/or Affiliated Companies:** In some instances, Obton and/or an Affiliated Company (or persons connected with Obton and/or an Affiliated Company) might have the possibility of co-investing in a specific fund or in a specific asset held by a fund. The investors generally see it as an advantage – and often insist – that Obton and its related entities (which are involved in the value chain) are co-investing, as this aligns the financial interests of these entities with the interests of the investors (da. *hånden på kogepladen*). However, it does create the potential risk that Obton would source the most profitable assets to these funds while sourcing less attractive investment opportunities to the funds in which itself or an Affiliated Company does not have a financial interest in.

The investment windows for the funds are intentionally designed not to overlap, ensuring that Obton cannot favor one fund by sourcing more attractive assets, as all funds have distinct and non-overlapping opportunities. Please refer to litra (j) below for details regarding the investment windows.

Additionally, all co-investment possibilities are duly disclosed in the project material for the relevant fund to ensure transparency towards the investors.

Relevant Persons and the managed AIFs

(d) **Employee investments:** Obton employees can make investments in the funds managed by Obton. This creates the potential risk that the employees can have a financial incentive to favour the funds in which they are invested in or act on knowledge regarding the funds which are not publicly available.

All employees must obtain prior approval before acquiring shares in funds managed by Obton. To determine whether approval should be granted, the company evaluates the employee's role, responsibilities, and powers in relation to the funds. If acquiring fund shares is likely to result in a conflict of interest for the employee, approval will not be granted.

Additionally, employees may only invest in fund shares during a one-month period following the publication of the fund's annual accounts. This requirement ensures that employees and external parties have access to the same information.

Employees are obliged to retain their acquired shares for a minimum period of six months. This rule is designed to discourage short-term speculation and mitigate the temptation for employees to engage in insider trading.

- (e) **Obton CEO or other staff members appointed as fund CEO:** In order to maximise efficiency and work flow in the collaboration between Obton and the funds under its management, the CEO of Obton (or a designated employee) is also appointed as CEO of the funds managed by Obton. This creates the potential risk that he/she may prioritize the profitability of Obton or an Affiliated Company over the interests of the fund when making an investment-related decision or a decision on a commercial matter involving Obton or an Affiliated Company.
- (f) **Dual-roles for executive management:** Certain key members of the management team in Obton are also part of the management team in the Affiliated Companies. This includes Anders Marcus (CEO in both Obton Forvaltning A/S and Obton A/S), Søren Lindgaard (CFO in both Obton Forvaltning A/S and Obton A/S) and Peter Krogsgaard Jørgensen (CSO in Obton Forvaltning A/S and CEO in Koncenton A/S). Dual-roles create the potential risk that the relevant members of management might have divided loyalties when acting in their fund manager role at Obton.
- (g) **Dual responsibilities for GC:** The GC (General Counsel) holds the overall managerial responsibility for the Corporate Legal (1st line), Compliance (2nd line), and Risk Management (2nd line) teams. The executive management has deemed this arrangement to be appropriate considering the size, nature and complexity of the

The fund boards review and approve all significant investment- and service-related decisions, thereby providing independent oversight (see also the description of the fund board's mitigative role under (a) and (b)). The CEO does not have the authority to make any material investment-related decision without the consent of the fund board.

The potential conflicts of interest arising out of the current dual management role-setup will be eliminated in Q1 2024 when the contemplated restructuring of Obton A/S is expected to be completed (subject to the approval of the DFSA).

As part of the restructuring, Anders Marcus will be replaced as CEO of Obton Forvaltning A/S by Søren Lindgaard, who in turn will step down as CFO of Obton A/S. Peter Krogsgaard Jørgensen will step down as CEO of Koncenton A/S to be fully focused on his role as CSO in Obton Forvaltning A/S. His replacement as CEO will be Henrik Skovsby, the current CFO at Koncenton A/S.

Following the completion of the group restructuring, Obton and the Affiliated Companies will have independent executive management teams with no overlapping personnel.

To mitigate the risk of conflicts of interest, the company has implemented policies for both the compliance and risk management functions. These policies clearly stipulate that these functions should operate independently and maintain a direct line of communication with the company's management and board.

company's business. There is the potential risk, however, of a conflict of interest between the GC and the team leaders of Compliance and Risk Management when assessing the work performed by Corporate Legal. This is because Compliance and Risk Management are then evaluating their immediate superior.

- (h) **Remuneration arrangements:** Employees working at Affiliated Companies, who play a role in identifying and sourcing assets, may receive part of their remuneration based on the volume of assets they facilitate selling to a fund. This creates the potential risk that the persons, which are remunerated in this manner by an Affiliated Company, prioritizes their personal financial gain (receiving a bonus) over the interests of the funds when screening and recommending assets to Obton.

Additionally, the remuneration of the company's sales staff may be performance-based. The number of shares sold in each alternative investment fund can therefore impact the final salary of the sales staff members. This creates the potential risk that a salesperson could have financial interests that conflict with the interests of the potential investors.

The Affiliated Companies and their employees cannot exert any influence over the decision-making process regarding whether a fund should acquire specific assets, and can therefore not arbitrarily cause a fund to acquire an asset on sub-optimal terms even if they wanted to. Please refer to litra (a) above regarding the investment process and the mitigative measures taken by Obton to ensure objectivity in this process.

On the contrary, the relevant employees at the Affiliated Companies are well aware that any assets falling below the expected standards will not progress through Obton's screening process and the approval procedures of the fund boards. Any bonus they receive from an Affiliated Company is therefore dependent on their ability to identify high-quality assets on terms favorable to the fund, which ultimately aligns their interests with the interests of Obton's funds.

With regard to the remuneration of the sales staff, the company considers performance-based pay as a natural component of a sales department. To mitigate the risks associated with performance-based pay, the company has taken the following steps:

1. The company has implemented policies and procedures aimed at ensuring that investors' interests are the cornerstone of all company activities. This includes implementing a code of conduct, a conflict of interest policy, etc.

2. At the departmental level, the company has implemented procedures and workflows to ensure that the sales team acts in the investors' interest. Additionally, all communication and sales pitches must align with established policies, procedures, and investor materials.
3. Furthermore, the company has implemented ongoing monitoring of the sales department, where all conversations are recorded and subsequently reviewed by Compliance on a regular basis. This monitoring aims to ensure that the sales department acts in the best interests of investors and within the boundaries of laws and internal policies and procedures.
4. Finally, the company does not provide investment advice or discretionary portfolio management. This means that the sales staff can only provide information about the funds and their characteristics to potential investors but cannot take into account the potential investors' personal circumstances and criteria or provide recommendations.

(i) **Greenwashing or mis-selling:** The telemarketing staff at Obton is partly remunerated based on the volume of investor capital they participate in onboarding. The contribution of Obton and its funds to the renewable energy transition is a key selling point for the sales force. However, it is also an area that has become heavily regulated by numerous complex regulations that can be difficult to navigate. This creates the potential risk that a member of the sales force (unintentionally) overstates or give misleading information on the environmental impact of the funds' investments in contravention of these regulations.

Compliance regularly performs awareness training within the areas of greenwashing and misleading marketing. Participation is mandatory for all sales staff. As part of this awareness training, the sales staff receive instructions on how to promote the characteristics of the funds in an accurate and non-misleading manner.

To monitor compliance with the instructions, Compliance uses the software program Capturi to analyze phone conversations between the sales staff and investors. The program is configured to highlight certain words, for instance if the word "sustainable" has been used in a conversation. This allows Compliance to continuously monitor that the information provided by the sales staff to the investors is in line with the relevant regulations.

Two or more AIFs managed by Obton

(j) **Similar investment strategies:** Many of the funds established and managed by Obton share the same investment strategi in terms of asset class. Multiple funds might therefore be interested in acquiring a specific asset or divesting their assets to an interested buyer.

Obton does not launch new funds until the existing ones have been fully closed and financially committed to a full portfolio of assets in accordance with the investment strategy. This effectively creates investment “windows” for the funds that never overlap. In the event that the asset portfolio of an existing fund needs to be rebalanced at a later point (e.g. for risk management purposes), any other open investment windows will be temporarily suspended until the rebalancing has been completed.

In terms of divestments, the exit strategies of the funds are designed to ensure that the timing of the exit windows in the funds do not coincide. This is achieved by pre-defining the date (or the limited period) on which the asset portfolio of each fund is set to reach maturity. By structuring the asset portfolios of the various funds with different maturity dates, the risk of two funds competing for the same buyer is effectively eliminated.

Two or more investors in AIFs managed by Obton

None identified.

N/A

CHANGE LOG – CONFLICT OF INTEREST POLICY

Date	Section Number and Name	Change	New Version No.
21.11.23	Various	New policy (replacing the old one)	1.0
27.11.2024	Various	Minor adjustments	1.1