



Updated on: April 2021

Contents

- 1. The Firm2
- 2. Objectives2
- 3. Application and Limitations3
- 4. Risk Appetite3
- 5. Definitions3
- 6. Defined Reporting4
- 7. Policy Standards4
- 8. Roles and Responsibilities5
- 9. Applicable Laws and Regulations6
- 10. Links to Other Documents6

1. The Firm

GND Advisory is an autonomous investment advisory registered in the Republic of Lithuania. The records of GND Advisory are kept at the State Enterprise Centre of Registers.¹ GND Advisory ("GND") and each of its majority-owned subsidiaries (together with GND, the "Firm") conducts its operations in compliance with the EU and Lithuanian Law, Regulations, and its internal Code of Conduct.

2. Objectives

The purpose of this policy is to establish the general framework with GND Advisory for the avoidance of conflict of interests. This policy recognises that the effective management of conflicts of interest is at the core of good customer and client outcomes, and a key point of the global regulatory and legislative conduct risk agenda. It is central to building and maintaining trust and confidence in our business and the way we conduct business in the markets we operate in.

Conflicts of interest may manifest themselves in a number of different ways across the value chain of our business. The format of this policy draws a distinction between those conflicts that generally apply to individuals in a personal capacity, and those that generally apply and require to be managed at business unit level, most notably to ensure compliance with specific/local legislative/regulatory requirements.

GND Advisory must ensure that:

- all customers and clients are treated fairly in cases where actual or potential conflicts of interest arise as a result of the Firm providing services to those customers or clients;
- appropriate steps are taken to identify and prevent any conflicts of interest that may arise or have the potential to arise in the course of providing services to its customers or clients. If a conflict cannot be prevented appropriate steps must be taken to mitigate and manage such conflicts;
- sufficient organisational and structural measures are in place to:
 - provide procedures, mechanisms, systems and other controls to manage or resolve any conflicts of interest,
 - ensure that when a conflict cannot be avoided GND Advisory and its people always act in the best interests of its customers or clients,
 - maintain complete records of any actual or potential conflict and to ensure reporting to affected customers or clients;
- maintain complete records of any actual or potential conflict and to ensure reporting to affected customers or clients.

The following Principles apply in the context of GND Advisory's conflicts of interest policy:

Principle 1 – A firm must conduct its business with integrity.

Principle 2 – A firm must conduct its business with due skill, care and diligence.

Principle 3 – A firm must pay due regard to the interests of its customers and treat them fairly.

Principle 4 – A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading.

Principle 5 – A firm must manage its conflicts of interest fairly, both between itself and its customers, and between a customer and another client.

¹ State Enterprise Centre of Registers. https://www.registrucentras.lt/jar/index_en.php

The management of conflicts of interest may include the need to restrict the exchange of information and / or the need for information barriers within or between business units, and the need for specified roles not to be discharged by the same individual within GND Advisory.

In accordance with the above Principles, the requirements of the European Markets in Financial Instruments Directive (“MiFID”) and Alternative Investment Management Directive, (“AIFMD”) and with our fiduciary obligations GND Advisory has policies and arrangements in place to identify and manage conflicts of interest that may arise between us and our clients or between our different clients.

This policy sets the standards that all Vectors, Business Regions and Functional Areas must adhere to in relation to managing GND Advisory’s conflicts of interest; including how we approach the identification and management of conflicts of interest whilst ensuring compliance with applicable legislation and regulatory requirements.

3. Application and Limitations

This policy applies to GND Advisory and all of its subsidiaries across all Vectors, Business Regions and Functional Areas. It is applicable to all directors, executive managers, permanent and temporary employees within GND Advisory, as well as secondees, external consultants, contractors and agency personnel whilst they are working with us.

The policy can be issued to external parties such as regulators, auditors, depositaries, trustees, customers or clients or potential customers or clients. The Policy can be issued to other parties with the permission of the Chief Risk Officer and/or Top Management.

This policy sets minimum standards for dealing with conflicts of interest at GND Advisory. There may be rare instances where this Policy is at variance with the local laws of a particular country in which case local law will apply.

4. Risk Appetite

The Risk Appetite is set and reviewed centrally by the GND Advisory Board and this policy should be applied in line with those Risk Appetites.

GND Advisory has no appetite for unfair customer outcomes or poor market conduct, whether through deliberate or negligent actions. Consistent with our values, where unfair outcomes arise, the Firm will put it right in a fair and prompt manner.

GND Advisory has no appetite for any breach of laws, regulations or prescribed codes that would impact clients, customers, shareholders, market integrity or financial stability. Where breaches are identified, GND Advisory will ensure that these are resolved in a timely manner taking into account (where relevant) the interests of customers, clients, shareholders and other stakeholders.

Where laws require interpretation or where regulations or codes are ambiguous or untested, GND Advisory will take reasonable steps to determine their applicability, including seeking legal advice where necessary.

5. Definitions

Conflict of Interest – a conflict of interest can include situations that arise, have the potential to arise or where a reasonable person may perceive there to be a conflict whether or not one actually exists. An actual, potential or perceived conflict of interest can arise where GND Advisory and/or any of its employees are subject to influences which might adversely affect decision-making or outcomes in the course of conducting business. A conflict can be due to the competition of legitimate influences such as acting for multiple customers/clients, or the presence of harmful ones such as personal gain.

As GND Advisory provides a wide range of services it may from time to time have interests that conflict with its customers’/clients’ interests or with the duties that it owes to its customers/clients.

Conflicts can include, but not limited to, those between:

GND Advisory or one of its subsidiaries and a customer/client:

- an employee and a customer/client;
- one customer/client and another;
- an employee and GND Advisory;
- a supplier and GND Advisory;
- one part of GND Advisory and another.

Conflicts generally fit into one of two categories:

- Those that arise while conducting business for GND Advisory and on behalf of its customers or clients (e.g., GND Advisory's interest conflicts with that of a customer or client, or a customer's or client's interest conflicts with another customer's or client's interest);
- Those resulting from personal activities of employees outside of GND Advisory (e.g., second jobs, business ventures, outside appointments, involvement in public affairs).

GND Advisory – an autonomous investment advisory registered in the Republic of Lithuania, together with all of its subsidiaries and associated companies.

Vector – any Vector within GND Advisory i.e., Investments, Adviser, Personal.

Functional Area – any function within GND Advisory e.g., the Risk function.

Business Region – any regional area of the business of GND Advisory e.g., EMEA.

6. Defined Reporting

Where any local processes and procedures exist within Vectors, Functional Areas, Business Regions or legal entities across GND Advisory, these local processes and procedures must operate within the broader framework of standards set out within this policy.

Where any local policies are required within Vectors, Functional Areas, Business Regions or legal entities across GND Advisory, these local policies must operate within the broader framework of standards set out within this policy and must be approved by the Chief Risk Officer or Top Management prior to implementation.

7. Policy Standards

Conflicts of Interests arising from Business Activities

The following standards apply to conflicts of interest that may arise or have the potential to arise while conducting business for GND Advisory. As such, these conflicts may arise or have the potential to arise when the interest of GND Advisory conflicts with a customer's or client's interest, or a customer's or client's interest conflicts with another customer's or client's interest. Conflicts of interest may also arise or have the potential to arise across GND Advisory's business units or functions.

Identification of Conflict of Interests

1. All Vectors, Business Regions and Functional Areas must identify any conflicts of interest that may arise or have the potential to arise across business units or functions.

Management of Conflicts of Interest

2. Vector, Regional and Functional Heads are responsible for overseeing the management of conflicts of interest for their area of responsibility on an ongoing basis. As such, Vector, Regional and Functional Heads, working with their relevant second line business partner leads, should:
 - assess new conflicts and take appropriate mitigation steps;

- undertake a periodic-reviews, on at least an annual basis, of their conflicts of interest.
3. Where an actual, potential or perceived conflict of interest cannot be prevented, Vectors, Business Regions and Functional Areas must take steps to manage the conflict and prevent any risk of detriment to its customers, clients or other business interests.

Reporting and Recording of Conflicts of Interest

4. Where actual, potential or perceived firm conflicts of interest are identified these should be reported to Risk and Compliance to ensure the conflict is accurately recorded on the central Register.

Disclosure of Conflicts of Interest

5. Where there is residual risk of conflict of interest that has been accepted and approved (with input from the second line), where appropriate, the nature of the conflict or source of the conflict of interest, or both, must be disclosed to the stakeholder in writing, before undertaking any new or further business, to facilitate an informed decision on whether they wish to proceed.

Training and Awareness

6. Each Vector, Business Region and Functional Area must raise awareness of the standards of, and responsibilities under, this policy with their directors, employees and contractors. This includes ensuring that key roles have the requisite levels of training.

Conflicts of Interest arising from Personal Activities

The following standards apply to conflicts of interest that may arise from personal activities undertaken outside of GND Advisory (e.g., second jobs, business ventures, outside appointments, involvement in public affairs).

Reporting and Recording of Conflicts of Interest

7. All Vectors, Business Regions and Functional Areas must have in place processes and procedures for recording Personal conflicts i.e., an internal compliance system.
8. All employees are required to report all conflicts of interest that may arise from their personal activities undertaken outside of GND Advisory to their Manager for approval, and where applicable, to Risk and Compliance. These activities include but are not limited to:
 - undertaking some form of outside appointment that either conflicts or may have the ability to conflict with their role. For example, you wish to undertake a directorship, second job, business venture or Board Appointment. The applicable procedures must be adhered to;
 - having an immediate family member who is a connected person to GND Advisory e.g., they work for GND Advisory or is affiliated to a Service Provider or Supplier, Client or Competitor;
 - having an immediate family member affiliated with a Government body;
 - when you have been identified by Risk and Compliance as being in scope of the Personal Account Dealing requirements you should ensure that the Personal Account Policy is adhered to in terms of requiring pre-approval.

8. Roles and Responsibilities

The policy framework sets out the respective roles of Risk and Compliance, policy owners and policy implementation managers.

Chief Risk Officer

The Chief Risk Officer (i.e., Director of Risk and Compliance) is owner of this policy. The Chief Risk Officer has responsibility for ensuring adherence to the conflicts of interest identification, management and reporting standards of the policy pertaining to business units as well as providing assurance that the relevant business unit policy has been implemented and complied with.

GND Advisory Board

GND Advisory Board (i.e., Top Management) approves the Policy Framework and notes the Policy Register to which this Policy forms part of. Additionally, the Board reviews the register of conflicts of interest of directors annually.

Vector, Regional and Functional Heads

Vector, Regional and Functional Heads are responsible for overseeing the identification, documentation, escalation and management of all conflicts of interest that arise from the business activities within their areas of responsibility at the GND Advisory. Vector, Regional and Functional Heads are required to:

- be engaged in the implementation of procedures and arrangements for the identification, documentation, escalation, management and ongoing monitoring of conflicts of interest;
- promote and encourage a culture which emphasises the importance of the fair handling of conflicts of interest.

Attestations this Policy must be made in line with the Policy Framework. Functional attestations demonstrate and ensure Functional heads support the overall framework. In addition, there is a Regional Attestation overlay to help identify any concerns specific to that region. Where there is a specific conflict which arises at a Vector or Regional level, Vector or Regional Heads must ensure the conflict is managed in line with the Policy standards.

Conflicts of Interest Owner

The owner of an identified conflict of interest is responsible for ensuring it is notified and escalated appropriately in a timely manner. The owner is accountable for the implementation and the effectiveness of the controls put in place to manage the identified Conflict of Interest. In addition, the owner will be responsible for the ongoing management of the conflict.

The Executive Leadership team – Controls Meeting

This meeting will endorse the Conflicts of Interest Policy. Consideration will be given to conflicts of interest issues escalated to the meeting and review and challenge the status of the most significant conflicts impacting GND Advisory. This meeting will also consider any risk events with significant conflict of interest implications.

9. Applicable Laws and Regulations

Each Vector, Business Region and Functional Area in implementing this Policy, or formulating its procedures and practices, must take into consideration the guidance given in any relevant regulations.

Where there is a conflict between the standards of the Conflicts of Interest Policy and local legislation/ regulation, the Policy owner, along with relevant Vector and/or Business Regional leaders, must determine the appropriate way to manage the difference.

10. Links to Other Documents

Documents that must be read in conjunction with this policy are policies and compliances guidelines published on the GND Advisory intranet and corporate website <www.gndpartners.com> and contracts of employment, service agreements, or letter of appointments.

The contracts of employment or service agreements of employees and contractors within GND Advisory and the letters of appointment for non-executive directors within GND Advisory, contain provisions relating to conflicts of interest which support this policy.