

## Conflict of Interest Policy

### About the Conflict of Interest Policy in general

This policy (the "Policy") concerns the services related to securities trading and the management of alternative investment funds undertaken by Maj Invest Equity A/S and its employees (together called "Maj Invest Equity") for customers, including alternative investment funds.

### Risk profile for the area

Maj Invest Equity endeavours to give all customers an honest, fair and professional service in order to avoid any conflicts of interest, or suspicion thereof, as far as possible, and to correctly handle any conflict of interest that does arise. The Policy describes how Maj Invest Equity identifies, handles, manages and monitors any potential and current conflicts of interest. In addition to the Policy, Maj Invest Equity has internal procedures which, besides conflicts of interest, also concern the handling of internal Group matters.

Conflicts of interest can arise as a consequence of Maj Invest Equity's interests and relations with other customers, counterparties and suppliers, etc. Conflicts of interest may arise between Maj Invest Equity, including Maj Invest Equity's management, employees or others with close ties to Maj Invest Equity, and Maj Invest Equity's customers, i.e. the alternative investment funds which are managed, or the investors behind them. Conflicts of interest may also arise between Maj Invest Equity's customers, i.e. the alternative investment funds which are managed, and/or between investors in such funds.

### Overall strategic measures to maintain the risk profile

It is sought to limit conflicts of interest as far as possible. In situations where conflicts of interest cannot be avoided, Maj Invest Equity will typically notify the customer, i.e. the alternative investment fund and the underlying investors, via the Investor Boards appointed in the funds, concerning the general handling of conflicts of interest, before any agreement is established with the customer. If a conflict of interest arises subsequently, the investor must also be informed of the conflict of interest which has arisen.

Maj Invest prepares lists of the types of investment service, accessory services and investment activities where a conflict of interest has arisen or may arise which entails a significant risk of damaging the interests of one or more customers.

### **What is a conflict of interest?**

Examples of conflicts of interest between Maj Invest Equity and our customers are described below. This is not a complete description. References to Maj Invest Equity also include our managers, employees or other parties with qualified relations with Maj Invest Equity.

Conflicts of interest may inter alia arise as follows:

1. If Maj Invest Equity could achieve a financial profit or avoid a financial loss at the expense of the customer (i.e. the alternative investment funds or the underlying investors).
2. If Maj Invest Equity has another interest than the customer (i.e. the alternative investment funds or the underlying investors) in the result of a service delivered to the customer, or of a transaction executed on behalf of the customer.
3. If Maj Invest Equity has an incentive, e.g. financially, to favour the interests of another customer or customer group (or a group of underlying investors) at the expense of the interests of the customer in question, i.e. the investment fund which is managed.
4. If Maj Invest Equity itself has the opportunity to undertake the same type of transactions as the customer, i.e. the investment fund which is managed.
5. If Maj Invest Equity intermediates a transaction between two customers that do not share the same interests, e.g. purchase and sale of a portfolio activity.
6. If one or several of the underlying investors in an AIF do not share the same interests as the other investors or the AIFM, e.g. concerning one or several investors' co-investments.
7. If Maj Invest Equity from another person than the customer receives or will receive an incentive in conjunction with a service delivered to the customer, as a monetary amount, items or services in addition to the standard commission or standard fee for the service in question. This may also be the case if Maj Invest Equity from a portfolio company receives or will receive an incentive in the form of items, services or discounts on more advantageous terms than usual for shareholders, a board of directors or employees.
8. On the negotiation and establishment of the agreement concerning the management of the alternative investment fund established between Maj Invest Equity and the alternative investment fund.

These conflicts of interest are typically clearly regulated in the agreement on the management of the alternative investment fund, inter alia as: (i) the requirement of full or partial set-off of any other income of Maj Invest Equity; (ii) a non-competition clause for Maj Invest Equity during the investment period; (iii) special approval requirements for transactions between managed funds; (iv) prohibition of the Maj Invest Equity team's own investment in portfolio companies, etc.; and (vi) designation of an Investor Board for each fund, which among other things holds the authority to decide conflicts of interest.

### **Identification and handling of conflicts of interest (methods and means)**

In order to give all customers an honest, fair and professional service, Maj Invest Equity has established the following procedures to avoid any conflicts of interest as far as possible, and to correctly handle any conflict of interest that does arise.

1. Maj Invest Equity has internal business procedures to handle any potential and current conflicts of interest.
2. As soon as possible, employees must report any current and potential conflicts of interest to their managers, in order to ensure that conflicts of interest are handled at the right level.
3. Maj Invest Equity has internal business procedures which include clear rules concerning information barriers, including to whom internal/confidential information may be disclosed, and under which circumstances. This will ensure that confidential/internal information is only available to persons with a legitimate need for this information, and that insider trading and price manipulation are avoided. All employees are subject to these regulations, except for kitchen staff and receptionists.
4. In areas where there is a particular risk of conflicts of interest arising, the agreement with the alternative investment fund and the underlying investors typically includes a clear description of handling, supplemented with Maj Invest Equity's business processes and procedures for the handling thereof, e.g.
  - investors' or third parties' co-investments, including set-off of Maj Invest Equity's fee in this respect;
  - designation of an Investor Board and procedure for conflicts of interest;
  - escalating processes for trades between several managed alternative investment funds, and trades between a managed alternative investment fund and one or several investors;

- limitation of funds with coinciding investment areas (non-competition clause);
- ensuring an "alignment of interest" on the Maj Invest Equity Group and the Maj Invest Equity team's own investment in the managed alternative investment fund; and
- prohibition of Maj Invest Equity employees' own direct investment in a portfolio company, and set-off/limitation of transaction fees.

Other areas in which it may be necessary to take precautionary measures in relation to conflicts of interest are, for example:

- advisory services concerning investment in a failing company or a potentially failing company; and
  - investment advisory services where Maj Invest Equity's employee holds a Board position in a company that has sourced investment opportunities, is involved in co-investments, or participates in auction-like processes in which the customer also participates. In this case, the customer must be made explicitly aware of this as early as possible during the investment process, and in the investment recommendation at the latest. At this time, it must also be considered whether the employee should declare themselves potentially disqualified to take part in consideration by the Board of Directors, as well as investment decisions.
5. In cases where Maj Invest Equity's internal procedures are not adequate to ensure that a potential conflict of interest for the customer entails that the customer's interests are taken into account to sufficient extent, Maj Invest Equity will ensure that the customer, i.e. the managed alternative investment and the underlying investors, is informed of the conflict of interest and the related conditions, and, according to the circumstances, will ensure that the express consent of the customer, typically the customer's investor board, is obtained. According to the circumstances, Maj Invest Equity will also refrain from providing services if there is a risk that this is not in the customer's best interests.
  6. In order to comply with Section 73(2)(2) of the Danish Act on Alternative Investment Funds, Maj Invest Equity A/S has drawn up specific conflict of interest policies concerning the individual alternative investment funds and their portfolio companies, where such funds are subject to regulation. The specific conflict of interest policies address conflicts of interest in relation to the individual fund's investments/portfolio companies.

The specific conflict of interest policies are part of the procedure for contact with and reporting to customers and conflicts of interest and are approved by the Executive Board of Maj Invest Equity A/S.

### **Infringement and revision**

If the Policy is infringed, the Executive Board must notify this to the Chairman of the Board of Directors immediately (in writing, or possibly electronically by e-mail), and to the full Board of Directors at the next Board meeting (in writing). In collaboration with the Board of Directors, the Executive Board must immediately take the measures necessary to ensure compliance with the Policy.

The Policy will be revised annually by Maj Invest Equity's Executive Board, and will be approved as required, including on any significant changes in the underlying assumptions, by Maj Invest's Board of Directors.

Any questions concerning Maj Invest Equity and Maj Invest Equity's Conflict of Interest Policy may be addressed to Maj Invest Equity.

### **Commencement**

This Policy will enter into force when it has been approved by the Board of Directors on 28 August 2017.

The Policy will solely apply to matters concerning alternative investment funds that are subject to AIFM. This policy will not apply to alternative investment funds that are subject to the transitional provisions.

Adopted by the Board of Directors on 5 November 2021.

Board of Directors:

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Chairman of the Board of  
Directors  
Tommy Pedersen

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Board member  
Nils Bernstein

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Board member  
Jørgen Tang-Jensen

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Board member  
Maria Helene Hjorth

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Board member  
Henrik Parkhøi

Adopted by:

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Managing Director, Jeppe  
Christiansen