

# CONFLICTS OF INTEREST POLICY

## Qblue Balanced A/S

### 1. Background and purpose

This policy sets out rules to ensure that Qblue Balanced A/S (“Qblue”) is compliant with the regulation on business conduct and management of conflicts of interest set out in the Alternative Investment Fund Managers Act, Consolidated Act no. 231 of 1 March 2024 (the “AIFM Act”), Sections 18(1)(3) and (4), 23 and 27 (2)(3), and the Commission’s Delegated Regulation (EU) No. 231/2013 articles 30-37 that apply to Qblue.

This policy supplements Qblue’s general obligation to act with integrity and fairness, both towards the AIFs that it manages and investors and prospective investors therein. Qblue is committed to professionally manage conflicts of interest which may arise in the course of its business activities.

The policy shall be made available to alternative investment funds managed by Qblue and investors therein upon request.

The Executive Management shall ensure that the policy is made available on Qblue’s website.

### 2. Identification and types of potential conflicts of interest

Qblue hereby identifies and discloses a range of circumstances which may give rise to conflicts of interest and potentially, but not necessarily, be adverse to the interests of one or more of the AIFs or discretionary portfolios (“AIFs”)<sup>1</sup> managed by Qblue or the investors therein.

Such conflicts of interest with respect to AIFs managed by Qblue may arise if Qblue or a relevant person or a person directly or indirectly linked by way of control to Qblue, including representatives, delegates, sub-delegates, alternative investment funds not managed by Qblue or investors therein:

- (a) is likely to make a financial gain, or avoid a financial loss, at the expense of an AIF or its investors;
- (b) has an interest in the outcome of a service or an activity provided to an AIF or its investors or to a client or of a transaction carried out on behalf of an AIF or a client, which is distinct from such AIF’s interest in that outcome;
- (c) has a financial or other incentive to:
  - a. give priority to the interest of a client or group of clients or another AIF over the interest of an AIF;
  - b. give priority to the interest of one investor over the interest of another investor or group of investors in the same AIF;
- (d) carries out the same activities for an AIF and for another AIF or client; or
- (e) receives or will receive from a person other than an AIF or its investors an inducement in relation to collective portfolio management activities provided to

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<sup>1</sup>As a general rule, when using the term AIF in this policy, it will refer to an AIF as well as any discretionary portfolios managed by Qblue.

the AIF, in the form of monies, goods or services other than the standard commission or fee for that service.

In the light of Qblue's current organization and business activities, special attention in identifying potential conflicts of interest, the existence of which may damage the interest of an AIF, will be given to following general areas (list not exhaustive):

- (1) Outsourcing to third parties
- (2) Calculation of investment management fees
- (3) Giving priority to investors with the largest investments or paying the highest fees
- (4) Integration of sustainability risks in the investment and engagement processes, systems and internal controls
- (5) Integration of sustainability risk in relation to remuneration and misselling or misrepresentation of investment strategies

### **3. Registration of conflicts of interests**

Qblue maintains a register of business activities undertaken by or on behalf of Qblue and/or the managed fund(s), or other circumstances, which entails or may entail conflicts of interest issues. Hence, the conflicts of interest register provides an overview of actual and potential conflicts of interest that may arise in the course of Qblue's business.

As part of the creation and maintenance of the conflicts of interest register, Qblue is required to:

- carry out the identification of conflicts of interest, with a sufficient degree of detail so that all relevant employees can easily understand any such conflict;
- document how the conflicts of interest are mitigated and list preventive temporary or permanent measures that have been taken or will be taken depending on the type of conflicts of interest situation with a sufficient degree of detail so that all relevant persons can easily understand and relate to the measures; and
- know how the situation should be managed and reported in case conflicts of interest occur.

The register shall include a list of temporary or permanent actions that have been or should be taken to prevent or manage the conflicts of interest.

Prior to each board meeting, the Board of Directors are sent the updated register and the and the register is subsequently discussed at the board meeting.

The conflicts of interest register must be updated on an ongoing basis as required. An annual thorough review of the register must also be performed. The Board of Directors shall receive an annual, written report on the activities registered as well as the activities performed in order to identify, manage and mitigate conflicts of interest. The Compliance Officer is responsible for updating and reporting on the conflicts of interest register. Compliance should always be consulted when updates and reviews are performed.

#### 4. Control, compliance monitoring and reporting

Qblue has established control procedures where appropriate. Further, the effectiveness of the policies and procedures to manage conflicts of interest are monitored, assessed and reported to the Executive Management by Compliance.

The Board of Directors shall at least once a year receive information on all controls performed, and the conclusions the controls have led to. This reporting shall be prepared by Compliance.

#### 5. Disclosure of conflicts of interest

If the measures in place are not, with reasonable confidence, sufficient to avoid or adequately manage a particular conflict of interest, the Executive Management and Compliance must be promptly informed in order for them to take any necessary decision or action to ensure that in any case Qblue acts in the best interest of the managed funds.

The Executive Management must promptly disclose conflicts of interest to the Board of Directors. The Executive Management shall inform the parties in writing, explaining the rationale for the decision or, if their approval is needed, a recommendation for the solution.

#### 6. Review

This policy shall be reviewed at least once a year by the Board of Directors.

#### 7. Approval history

This policy was approved by the Board of Directors on 25 April 2024.

Version:	Effective from:	Changes:	Performed by:
1	1 April 2019	New	Board of Directors
2	26 August 2019	BoD review, no changes	Board of Directors
3	19 August 2020	Compliance review: Added: section 3: <i>“Prior to each board meeting, the Board of Directors are sent the updated register and the and the register is subsequently discussed at the board meeting.”</i> Added: section 3: <i>“as well as the activities performed in order to identify, manage and mitigate conflicts of interest.”</i> Added: section 6 on voting rights	Board of Directors
4	3 March 2021	Deleted: section 6 on voting rights Integration of sustainability risk	Board of Directors
5	4 March 2022	No changes	Board of Directors
6	16 June 2022	Section 4: Compliance shall prepare board reporting	Board of Directors



7	19 April 2023	No changes	Board of Directors
8	25 April 2024	No changes	Board of Directors