



# Conflicts of Interest (Policy)

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<b>Owner</b>	Compliance
<b>Approver</b>	Board of Directors
<b>Subject</b>	Conflicts of Interest Management at BTG Pactual Europe Management Company S.A.
<b>Regulatory Basis</b>	<ul style="list-style-type: none"> <li>• L15Dec2010</li> <li>• CSSF Regulation 10-4</li> <li>• CSSF Circ. 18/ 698 (sub-sections 5.5.7.1. ff.)</li> </ul>
<b>Executive Summary &amp; Main changes</b>	<p>Brief description of the purpose of the regulation - Overview of CoI management - CoI prevention and general measures to reduce the CoI risk</p> <p>Main changes to preceding version:</p> <ul style="list-style-type: none"> <li>- General review</li> </ul>
<b>Derived Procedures</b>	<ul style="list-style-type: none"> <li>• none</li> </ul>
<b>Update frequency</b>	Annually
<b>Updated on</b>	April 25
<b>Approved on/ by</b>	Board of Directors/ June 25, 2025

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## 1. Preamble

- 1.1. The Law of December 17, 2010, CSSF Regulation 10-4 and CSSF Circular 18-698 require management companies to draw up and publish principles for dealing with conflicts of interest (“COI”).
- 1.2. BTG Pactual Europe Management Company S.A. (the “COMPANY”) is a management company. Consequently, it has to ...
  - 1.2.1. ... identify and to analyse potential CoI in its field of operations;
  - 1.2.2. ... to document and register such CoI and to ...
  - 1.2.3. ... prevent or minimize them by means of avoidance and mitigation arrangements.
- 1.3. The COMPANY thus has to manage “its conflicts of interest” according to the applicable regulation, market standards and rules of conduct in the best interest of its clients.
- 1.4. This POLICY sets high level guidance for such management of CoI.

## 2. Principles of CoI-Management at BTG Pactual Europe Management Company S.A.

- 2.1. The COMPANY’S independent Compliance Function (“COM”) is responsible for the CoI-Management. COM maintains the COMPANY’S **CoI register**.
- 2.2. The CoI-register is a complete, systematic and sufficiently detailed [register of all identified known or potential CoIs](#) at the COMPANY’S level. It contains a list of the parties involved, the conflicting interests, the type and scope of the associated impact and the type and scope of the associated mitigation.
- 2.3. COM regularly performs an analysis on CoI.
- 2.4. Based on the analysis, COM develops and implements efficient arrangements in order to prevent or minimize CoI detected.
- 2.5. The CoI-register shall be updated in writing accordingly.
- 2.6. COM reports ad hoc, but at least annually, on significant CoI detected and on the CoI-Management-actions performed in general by means of a written report to the COMPANY’S Board of Directors (“BOD”).

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- 2.7. The BoD shall also approve any material CoI which can't be reduced to an acceptable level by a reasonable mitigation action.

### 3. CoI-Prevention

- 3.1. BTG Pactual Europe Management Company S.A. prioritizes a prevention approach over CoI-mitigation.
- 3.2. CoI exist between persons with at least partially conflicting interests. CoI therefore carry the risk of undue disadvantage to one party. The following situations favour the realization of the CoI risk:
  - 3.2.1. ... Any kind of lack of transparency;
  - 3.2.2. ... No clear separation of tasks and responsibilities;
  - 3.2.3. ... Information asymmetries (“Principal-Agency-Situation”);
  - 3.2.4. ... Unclear or unnecessarily complicated structures;
  - 3.2.5. ... setting the wrong incentives;
  - 3.2.6. ... a lack of control;
  - 3.2.7. ... a "lax" approach to conflicts of interest and a negligent "tone from the top" in this respect;
  - 3.2.8. ... Subjectivity instead of objectivity/ business "under arms-length";
  - 3.2.9. ... Non-compliance with rules and market standards;
- 3.3. Consequently, the COMPANY’s BoD and its Senior Management in general ...
  - 3.3.1. ... set the right “tone from the top” by applying and promoting this Policy and the ALFI Code of Conduct, the Remuneration Policy and CoI-related staff training;
  - 3.3.2. ... implement a clear, coherent, consistent and “as-simple-as-possible”-governance structure;
  - 3.3.3. ... with clear responsibilities, accountabilities, a segregation of duties and the consistent application of the 4-eyes principle;
  - 3.3.4. ... the complete documentation of key business activities and decisions;
  - 3.3.5. ... the implementation of “Chinese Walls” between conflicting activities and departments;
  - 3.3.6. ... the ongoing monitoring of contractual relationships, in particular with

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delegates;

- 3.3.7. ... the maintenance of robust and effective control functions, i. e. a Compliance Functions which “cares about CoI-Management”;
  - 3.3.8. ... the implementation and maintenance of a robust Whistleblowing Process;
  - 3.3.9. ... the application of market standards and, in general, of the “arms-length-principle” in any business relationship;
  - 3.3.10. ... the integration of controls, documentation, clear and transparent rules and the setup of non-conflicting incentives in the in the (re)design of business processes;
  - 3.3.11. .... The implementation of disclosure obligations for all employees with regard to conflicting secondary employment or engagement.
- 3.4. Note: Fraud is also typically based on a CoI. In this respect, CoI-management is also (anti-)Fraud-management. COM hence shall take also Fraud into consideration when performing the CoI-analysis.

#### 4. Further regulations

- 4.1. Any employee of the COMPANY, who detects a (potential) CoI, shall notify COM hereof or use one of the Whistleblowing channels provided.
- 4.2. A member of the Company’s Senior Management or BoD affected by such CoI shall immediately inform the entire BoD hereof. The BoD shall than decide on adequate measures. An affected BoD-member is hereby excluded.
- 4.3. This POLICY and all changes to it have to be approved by the BoD and brought to the attention of all staff members of the COMPANY by publication on the [COMPANY’S drive](#).
- 4.4. It has to be reviewed and adjusted as necessary, but at least once a year.

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