EVENLODE
INVESTMENTS FOR LIFE

Evenlode Investment Management Conflicts of Interest Policy

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Introduction

Investment firms operating under the EU 'Markets in Financial Instruments Directive' (MIFID) have always been required to consider and manage potential conflicts of interest that arise between the firm and its clients that results in 'material risk', In this regard, take steps to manage conflicts and where it is not possible disclosing them to the clients.

With effect from 3rd January 2018 MIFID II enhanced the requirements above with the directive stating that a firm must consider 'all risks' rather than just 'material risks' and that a firm will take steps to identify, manage and prevent conflicts of interest and as a last resort disclose to the client if this is not possible.

Conflicts of Interest Policy

Evenlode Investment Managements' clients are the authorised funds it currently runs. However, we take our responsibilities to the investors in the funds very seriously and will always consider if our action adversely impacts the underlying investor as well as the funds. The MIFID rules around conflicts of interest apply regardless of the client type, be it, Retail, Professional or eligible counterparty.

In order to meet our obligations under MIFID II in relation to conflicts of interest, Evenlode will:

- Identify circumstances which may give rise to a conflict, material or otherwise to either the fund(s) or the underlying investors
- Put in place appropriate and proportionate systems and controls to manage or prevent the conflict
- Disclose to its clients when a conflict cannot be managed or prevented
- Review this policy at least annually or before should the conflicts of interest change.
- Provide a report to the board annually on the management of conflicts of interest

Regulated activities carried out by Evenlode that may give rise to conflicts of Interest

- Reception and transmission of orders in relation to one or more financial instruments

- Execution of orders on behalf of clients
- Portfolio Management

Determination of a conflict of interest situation

The following situations are governed by the MIFID rules on conflicts of interests

- Is likely to make a financial gain, or avoid a financial loss at the expense of the client
- Has an interest in the outcome of a service provided or a transaction carried out on behalf of the client, which is different from the client's interest
- Has a financial or other incentive to favour the interest of one client or group of clients over the interest of the client
- Carries on the same business as the client
- Receives an inducement from a third party in relation to a service provided to the client, in the form of monies, goods or services, that is different from the standard commission or fee for that service

Potential Conflicts of Interest

Taking into consideration all of the above, Evenlode have identified the following areas that may give rise to a conflict of interest:

- Inducements
    - Receipt of unsolicited, unpaid for research – The receipt of research from a provider who we have not previously agreed terms and therefore is provided free may lead us to place our trading with that party. – We mitigate this risk by agreeing with nominated research providers the level of research we will consume and the fee that will be paid for it from our P&L. Staff are aware of the providers we use and will push back any unsolicited research. All execution brokers are agreed and approved in advance of using them and are part of our best execution policy.
    - Gifts and hospitality –The giving or receiving of gifts or hospitality by or to our staff may create the appearance of partiality - We mitigate this risk by having a policy in place that all gifts and hospitality above £50 are logged and approved by the compliance officer
- Receipt of non-public material information
    - Evenlode predominantly invests in equities and from time to time are made aware of information that is not public regarding an asset that is held in the portfolio, there is a risk of conflict should Evenlode or the person who is aware of the information use it inappropriately for the gain of the funds we run or personal gain - We mitigate this risk by implementing an investment process that involves the whole team and not an individual, therefore any trading in an asset has to be agreed by the whole team. An individual wishing to undertake personal account dealing must first seek approval from the Fund managers and Compliance. All non-public information is recorded by the

compliance officer and where possible a ban on trading across the firm is put in place until such time the information is made public.

- Personal account dealing
    - Individuals may be in receipt of non-public information that should they trade in a personal capacity be to the detriment to the market and/or the funds we run. In addition, for more illiquid assets, a personal deal may impact on the ability of the fund to complete its trade in a timely manner – As above there is a policy in place for anyone in the firm that wishes to trade for personal purposes which includes recording the trade, providing a copy of the contract note and gaining prior approval of both the Fund Manager and the Compliance officer.
- OCF fee setting
    - Evenlode IM is responsible for setting the OCF's for the share classes of the funds. The fees collected pay for the running of the fund and Evenlode receive payment for the provision of its investment services to the funds. A conflict could arise in that Evenlode set the OCF at a high leave in order to make excessive profits. – This conflict is mitigated by the following:
        - the fund is managed by an independent ACD who have oversight of the level of the OCF
        - Evenlode regularly review the OCF and will reduce the fees where appropriate to do so. Fee tiering was introduced for all funds in March 2020 and a reduction to the OCF for Evenlode Global was also introduced at the same time
- Allocation of orders
    - Evenlode currently run 3 funds A small proportion of the same assets are held in all funds. It is possible that the fund managers of both funds could buy or sell the same asset on the same day. The conflict arises where different prices were gained on the different trades, therefore one of the funds may be disadvantaged due to receiving a less favourable price. – To mitigate this scenario should it happen, the trades would be aggregated at the point of placing the trade and then once the trades have been dealt in the market each fund each fund will receive a proportionate allocation with no favouritism to either fund.