

CONFLICTS OF INTEREST POLICY

The Management Body of the Firm (the 'Board'), in conjunction with Legal and Compliance, take responsibility for implementing systems and controls designed to prevent conflicts of interest in Polunin's business. These are outlined in the Conflicts Inventory, which is updated as and when a new conflict is identified and reviewed overall on a periodic basis and at least annually.

Polunin is part of a group of companies and, as such, the above noted controls and inventory will also take into account any circumstances, of which the Firm is or should be aware, which may give rise to a conflict of interest as a result of the structure and business activities of other members of the group.

Identification of Conflicts

Polunin must take all appropriate steps to identify and to prevent or manage conflicts of interest that arise, or may arise, in the course of conducting its regulated activities, between:

- Polunin, including senior management, staff, or any person directly or indirectly linked to the Firm by control, and a client of the Firm (including the AIFs managed by the Firm and the AIF investors); or
- one client of the Firm and another client (including the AIFs managed by the Firm and the AIF investors).

Types of Conflicts

When identifying conflicts of interest, staff should consider whether Polunin:

- is likely to make a financial gain, or avoid a loss, at the expense of a client (including the AIFs managed by the Firm and the AIF investors);
- has an interest in the outcome of a service or activity provided to a client, or of a transaction carried out on behalf of a client, which is distinct from the client's interest in that outcome;
- has a financial or other incentive to favour the interests of one client or group of clients over another;
- carries out the same business as the client; or
- receives or will receive an inducement from a person other than the client in relation to portfolio management activities in the form of monetary or non-monetary benefits or services.

Conflict Prevention

Where a potential conflict is identified, Polunin will seek to organise its business activities in a manner that prevents the crystallisation of the conflict. This will include the appropriate segregation of functions and business lines such that a level of independence may be achieved. To the extent appropriate to the size and scale of the business, this may involve, inter alia:

- Information barriers to prevent or control the exchange of information between members of staff engaged in activities involving a risk of conflict of interest where the exchange of that information may harm the interests of one or more clients.
- Functional independence and separate supervision of relevant members of staff whose main functions involve carrying out activities or providing services for clients whose interests may conflict, or otherwise represent interests that may conflict.
- A review of remuneration arrangements in the Firm where these might give rise to conflicts of interest in relation to the activities or services provided by the relevant members of staff.

- Reassignment of members of staff to prevent or control the simultaneous or sequential involvement of relevant members of staff in separate services or activities where such involvement may impair the proper management of conflicts of interest.
- Policies and procedures covering inducements and personal account dealing.

However, it is accepted that, despite the implementation of all appropriate controls to prevent the occurrence, the complete avoidance of all conflicts may not be feasible in a commercial environment.

Outside Business Interests

Staff members are required to obtain prior approval from the Compliance Officer before engaging in any employment outside their employment with Polunin. Staff members are also required to obtain the prior approval of the Compliance Officer before taking an interest in any outside business organisation, and in particular before becoming a director, an officer or adviser to a company or any other entity whether or not it is a paid position. Personal interests must not affect the ability of a member of staff to make judgements or decisions in the best interests of Polunin and its clients.

The approval for outside business interests will not be unreasonably withheld, it being understood that any outside employment or business interests must not be carried out on Polunin's premises nor shall it conflict or interfere with Polunin's business in any way.

Conflict Management and Avoidance

A number of arrangements have been put in place with a view to taking all appropriate steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of any client. All conflicts and the arrangements in place to mitigate or avoid them are contained in the Conflicts Register and focus on ensuring that the interests of clients are always protected and that the interests of Polunin and/or any associated parties are not favoured at their expense. Where conflicts are unavoidable Polunin ensures that appropriate policies and procedures are put in place to mitigate any such conflicts.

Conflict Disclosure

Where Polunin is not reasonably confident that it is able to manage a particular conflict to adequately protect the interests of a client, the fact of / or sources of conflicts of interest will be clearly disclosed to the client before the Firm undertakes any business. In particular, the disclosure will detail:

- A specific description of the conflicts of interest;
- An explanation of the risks to the client that arise;
- That the organisational and administrative arrangements established by the Firm to prevent or manage that conflict are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the client will be prevented; and
- Sufficient detail to enable that client to take an informed decision with respect to the service in the context of which the conflict of interest arises.

This disclosure will only be made as a matter of last resort. Further, the fact of the disclosure is not considered to be a mitigant. All the controls detailed in this policy will continue to be applied, in respect of that conflict.



The disclosure to the client(s) involved will be made through direct dialogue between Polunin and the client(s). Polunin is also required to disclose any conflicts of interest in the Part 2A of the Form ADV.

Declining to Act

Where the Firm considers it is not able to manage the conflict of interest in any other way, it may decline to act for a Client.

Conflict Monitoring, Reporting and Management Information

Polunin's compliance monitoring programme incorporates a number of specific tests aimed at reviewing Polunin's performance in the management of conflicts. These tests will be performed from time to time as deemed appropriate and the results will be reported to the Board.

The Conflicts of Interest Policy is also reviewed by the Compliance Officer on an ongoing basis and is reviewed and ratified by the Board at least annually to determine whether all conflicts remain relevant or if any conflicts no longer apply. The Board will review all aspects of Polunin's Conflicts of Interest Policy in conjunction with the Conflicts Register and Outside Business Interests Register with a view to identifying any conflicts that may previously have gone undetected or are no longer live conflicts or potential conflicts. Where deficiencies are reported, the Board will ensure that appropriate steps are taken to address the identified deficiencies. The Compliance Function and relevant business head will be empowered to oversee the resolution and remediation of the conflict.

If any new conflict arises the Compliance Officer will advise the Board at Board meetings. The Board will, in turn, consider how the conflict can be appropriately mitigated and/or managed. The Compliance Officer will update the Conflicts Register accordingly.

Conflicts Training

All staff receive a copy of the Firm's Conflicts of Interest Policy and are required to give a periodic undertaking confirming compliance with the Firm's compliance procedures, including personal account dealing and policies relating to the receipt of gifts and inducements.

Record of Conflicts

Both actual and potential conflicts faced by Polunin daily in its business are detailed in the Conflicts Register, which is maintained by the Compliance Officer. These conflicts will be reviewed by the Firm's Board of Directors, to determine if any additional key or potential conflicts exist or if any current conflicts have been resolved and thus no longer need to be recorded in the Conflicts Register. The Conflicts Register additionally summarises the means by which Polunin mitigates and/or manages these conflicts.

Procedure

All staff must notify the Compliance Officer immediately if they become aware of a conflict of interest or potential conflict of interest, outlining the reasons for the perceived conflict.



The Compliance Officer will investigate the concern in line with the policy set out above, discussing with any and all relevant persons as necessary.

If it is felt that the conflict of interest can be managed, the Compliance Officer will implement appropriate systems and controls to mitigate the risk.

If it is felt that the conflict of interest cannot be managed, then the Compliance Officer and directors will decide whether the activity causing the conflict should cease or if the conflict should be disclosed to the client. Generally, where the conflict of interest is self-created, the most straightforward method of complying with FCA rules will be to prevent the conflict from arising.

Where new services/products are considered by the Firm's directors, possible conflicts of interest will be discussed and added to the Conflicts Register as necessary. The Conflicts Register summarises the means by which Polunin manages each conflict.

Outside Business Interests

Before joining Polunin, all persons must notify Polunin of any outside business interests. If a member of staff wishes to engage in employment outside of their employment with Polunin or take an interest in any outside business organisation (including becoming a director) they must discuss the opportunity with the Compliance Officer.