

## **INFORMATION ON HANDLING CONFLICTS OF INTEREST**



CAM Alternatives GmbH, as an asset management company (KVG) within the meaning of section 18 KAGB, is obliged to endeavour to avoid conflicts of interest pursuant to section 26 (2) No. 3 KAGB and section 27 KAGB. Details of these requirements can be found in the corresponding sections of the Level II Regulation and KAVerOV.

Conflicts of interest always arise when private or personal interests could have an adverse effect on the fair and proper performance of obligations towards others. The asset management company has therefore taken appropriate measures on a permanent basis to identify conflicts of interest between the following in the management of investment funds on behalf of its investors and in the provision of other services:

- the asset management company itself (including its employees) and the investors,
- the persons and entities directly or indirectly controlled by the asset management company and the investors and
- the individual investment funds under management

and the measures are intended to avoid any adverse effects on the interests of the investors.

### **Applicability**

The term „investor“ includes all natural and legal persons for whom investment funds are being managed.

The term „employee“ of the asset management company includes the following persons:

- the members of the management bodies, the directors and similar persons,
- all natural persons who are engaged by the asset management company for the provision of services, in particular on the basis of an employment, agency or service relationship, and
- all natural persons who are directly involved in material services to the asset management company for the purpose of providing services under an outsourcing arrangement.

### **Identification and disclosure of conflicts of interest**

The asset management company has the duty to implement and apply procedures to identify and manage conflicts of interest.

The responsibility for determining conflicts of interest lies in principle with the individual employees themselves. (Potential) conflicts of interest must be reported to the compliance officer. A decision will be made on a case-by-case basis as to whether a conflict of interest exists, how to avoid it and whether disclosure should or must be made.

In order to identify conflicts of interest, employees must always check the extent to which the asset management company itself, its employees or persons or companies directly or indirectly linked to it by control are involved in the provision of services

- can achieve a financial advantage or avoid losses at the expense of investors,
- have an interest in the outcome of a service provided to an investor or a transaction made for an investor that is not in the investor's best interest,
- have a financial or other incentive to place the interests of one investor or group of investors above the interests of other investors, or
- conflict with the direct business interests of an investor, its core business or the industry in which it operates.

In addition, the asset management company is required to take organisational measures and implement processes to ensure that conflicts of interest are avoided. In addition, the compliance officer may carry out random monitoring activities in the areas of pre-investment due diligence, risk management and compliance with allocation principles.

Internal Audit regularly reviews and evaluates the asset management company's existing arrangements for identifying and disclosing or avoiding conflicts of interest. On the basis of the report by Internal Audit, the management reviews possible measures to optimise these controls and deal with conflicts of interest.

### **Handling conflicts of interest**

The measures laid down in the asset management company's principles for handling conflicts of interest are designed in such a way that employees can carry out activities in which conflicts of interest may arise and investor interests may be adversely affected with an independence commensurate with the size and business activity of the management company and the risk of adversely affecting investor interests.

To the extent necessary and appropriate to ensure the required degree of independence, the measures shall include:

- provisions to effectively prevent or control an exchange of information between employees whose activities may give rise to a conflict of interest if such exchange of information may harm investor interests,
- preventing improper influence by other persons on the activities of employees providing services in connection with the management of investment funds,
- preventing or controlling an employee's participation in various services with a close temporal link where such participation may adversely affect the proper management of conflicts of interest and
- separate monitoring of employees with potentially conflicting interests, in particular of investors or investment funds, as part of their main activities.

If one or more of these measures does not produce the required degree of independence, alternative or additional measures can be taken, especially in the organisational area.

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Should these also not be sufficient to resolve the conflict in an appropriate manner, remaining options include the disclosure of conflicts of interest to investors or completely doing without the provision of the service concerned.

### **Record-keeping obligations**

In accordance with the statutory provisions, the management company shall document and store potential and actual conflicts of interest on permanent data carriers. The records shall be kept in such a way that the supervisory authority can access them at any time during the retention periods and can trace how each conflict of interest has been handled.