



POLICY FOR CONFLICTS OF INTEREST

DECEMBER 2024



FORMUE PLEJE

1 Introduction

The purpose of this policy is to prevent and manage any potential conflicts of interest between Formuepleje A/S ("the Company") or its employees, other companies within the group, Funds managed by the Company, or investors in these and/or the Company's or other group companies' business partners or clients, ensuring that the Company acts independently and solely in the interests of the Funds or Clients.

The Conflict-of-Interest Policy outlines how the Company identifies and manages potential and/or actual conflicts of interest. In addition to this Policy, the Company has developed business processes and work-flows that, in addition to addressing conflicts of interest, include rules for safeguarding internal knowledge and implementing effective information barriers (Chinese Walls).

The policy is based on Lov om finansiel virksomhed §§ 71, stk. 1, nr. 6 og 101, stk. 3 ("FIL") (the Financial Business Act Section 71(1) No. 6 and Section 101(3)), Bekendtgørelse om ledelse, styring og administration af danske UCITS § 36 (the Executive Order on Management, Control and Administration of Danish UCITS, Section 36), Lov om forvaltere af alternative investeringsfonde ("FAIF") § 23, stk. 4 (the Alternative Investment Fund Managers etc. Act ("AIFM"), Section 23(4)), Bekendtgørelse om organisatoriske krav til værdipapirhandlere § 9 (Executive Order on Organizational Requirements for Securities Traders, Section 9) and Kommissionens delegerede forordning nr. 231/2013 af 19. December 2012 artikel 31 (the Commission Delegated Regulation no. 231/2013 of 19 December 2012, Article 31),

The Company is part of the Formuepleje Group ("Group") – and with FP Kapital A/S as the mother company, and where Formuepleje A/S is 100% owned by Formuepleje Holding A/S. The Formuepleje Group includes other financial companies. No conflicts of interest have been found to exist between these companies – furthermore, the Clients of the Group are at the Company and not at the other companies in the Group. The overall strategic decisions are made by the management in Formuepleje Holding A/S.

The Company's Client group consists of the following

- Funds (Both UCITS and AIF) managed by Formuepleje A/S ("Funds"),
- Retail/professional investors receiving investment services through the premium or Exclusive team ("the Clients")
- Institutional investors

The Company primarily targets the Clients, who typically have concluded agreements with the Company for investment advisory services or discretionary portfolio management. The Company has a client advisory function (Premium and Exclusive) and a secretariat function, whose primary task is to serve the Clients, including through investment advisory services, portfolio management and brokerage of orders on behalf of the Client.

The Company primarily advises about its own products (Funds under management), which Clients are informed of prior to any investment service. Certain Clients also require investment services for a broader range of financial instruments, and therefore, the Company may also provide advice on external products to these Clients.

In addition, the Company does also have activities related to institutional investors, where the primary focus is to present relevant products from, for example, business partners to these investors. Investment services are only provided to this client group on an exceptional basis.

The Company strives to provide honest, fair and professional service for all client groups, so that conflicts of interest or suspicions thereof are avoided to the greatest extent possible and managed properly should they arise.)

Conflicts of interest may arise due to the Company's or the Group's interests in and affiliation with other Clients, counterparties, partners and suppliers, etc. Conflicts of interest may arise i.a. between the Company and its Clients, the Company and other companies in the Formuepleje Group and/or between the Company's Clients and/or Client groups.

2 Definition of conflicts of interest

A conflict of interest is understood as a situation where two or more parties have different and/or opposing interests. A conflict of interest may arise if the Company, or a person directly or indirectly controlled by the Company, the Funds, or a client, is likely to gain a financial benefit or avoid a financial loss at the expense of another party. This can involve conflicts of interest between the Company, Funds, and Clients, or between multiple Clients, etc.

3 The Company has identified a number of circumstances which may give rise to conflicts of interest and, potentially but not necessarily, be detrimental to the Funds' or Clients' interests. Identification of conflicts of interest

The Company is part of the Formuepleje Group and must therefore also take into account the factors that can lead to a conflict of interest as a result of the structure and business activities in other parts of the Group, or of collaborative agreements with the other group companies.

1. The board has assessed that the following types of situations will or may involve a conflict of interest (not exhaustive): Conflicts of Interest Between the Company and Clients:
 - a. If the Company and the Client do not share common interests in the outcome of the service provided to the Client.
 - b. If the Company has a financial or other incentive to prioritize one or more clients over the interests of another client.
 - c. If the Company can gain profit or avoid loss at the expense of the Client.
2. Advisory and Trading Services for Clients:
 - a. If the Company or an employee has a vested interest in the earnings on the same financial instruments offered to the Client through advisory services or portfolio management.
 - b. If employee remuneration depends on returns, results, or the sale of specific products (Variable Compensation/Bonus Targets).
 - c. If the Company does not have products that align with the Client's investment profile or preferences, including sustainability preferences.
3. Financial Incentives for the Company:
 - a. If increased trading leads to higher revenues for the Company (e.g., brokerage fees).
 - b. If there is profit from spreads (the difference between buying and selling prices).
 - c. If the Company receives payment from third parties for the distribution of investment products in connection with the provision of an investment service (distribution fees).

In addition to the above, the Company must keep a list of identified or potential conflicts of interest, including how potential conflicts of interest have been managed. The Company records such incidents in the Group's incident register, which is managed by compliance and risk Management.

4 Prevention and management of conflicts of interest

The Company must operate with a high degree of business ethics and integrity. The Company's employees are expected to display integrity, act legally and professionally, and always take the Funds' and Clients' interests into account.

The Company has generally structured its operations to avoid and minimize potential conflicts of interest and has established instructions and procedures for managing such conflicts should they arise. The Company has adopted the following overarching guidelines:

- Policies and Procedures:
 - The Company has relevant policies that reduce the risk of conflicts of interest, including an order execution policy, remuneration policy, and more.
 - The Company has guidelines for employees' personal transactions.
 - The Company has procedures for significant processes, including those aimed at avoiding conflicts of interest.
 - The Company shares information internally/externally to the extent relevant and based on legitimate business or work-related reasons, ensuring the proper handling of personal data.
- Organizational Measures:
 - The Board of Directors has issued instructions to the Board of Management regarding their responsibilities to minimize conflicts of interest between the Funds and the Clients.
 - Employees involved in client advisory services do not receive sales or bonus targets that assign different weights to whether Clients choose products with low or high earnings.
 - The Company maintains organizationally distinct functions and ensures, as far as possible, segregation of duties through physical and/or system-based separation (Chinese Walls).
 - Employees are prohibited from handling cases where they or their close associates have conflicting interests.
- Reporting:
 - The Company has a whistleblower scheme allowing for anonymous reporting.
 - The Company maintains an incident register where employees can report incidents, including conflicts of interest, for review by Risk Management and Compliance.
- Information for Clients:
 - The Company primarily offers its own investment products to Clients, who must be informed that the Company (under MiFID) provides non-independent advice.
 - The Company prepares adequate and comprehensive informational materials, including legally required documents, for its investment products.
 - Employees must ensure that Clients receive relevant and essential information, such as the Funds' fee structure, and that investments align with the Clients' profiles.

For further details, refer to Appendix 1, which lists relevant but non-exhaustive potential conflicts of interest and the Company's approach to managing them.

5 The Role of Compliance

Compliance is responsible for maintaining a register of conflicts of interest. Current and potential conflicts of interest are recorded in the Company's incident register.

Compliance conducts the initial assessment of current or potential conflicts of interest and, if necessary, reports these to management, as outlined below.

Compliance continuously assesses and monitors, to the relevant extent, adherence to the Conflict of Interest Policy, including whether the Company has the necessary procedures and workflows to minimize/manage conflicts of interest. Compliance also assists the Board of Management when necessary.

6 Reporting to the executive board

Current and potential conflicts of interest must be recorded in the Company's incident register, where Compliance assess the potential conflict of interest.

Significant conflicts of interest are reported to the Board of Management, which assesses whether the Board of Directors should be immediately informed.

7 Reporting to the board

Any conflict of interest reported to Compliance and the Board of Management is presented to the board of Directors at the next board meeting. The Conflict of Interest Policy is updated if deemed relevant.

The Board of Directors must be informed immediately through the chairman in cases deemed significant by the Board of Management.

8 Updating and following up on the policy

The policy for the management of conflicts of interest must be reviewed when the board deems it necessary, but at least once (1) annually.

9 Entry into force

This policy enters into effect on 19 December 2024

Appendix 1 – Identification and Management of Potential Conflicts of Interest

The table below outlines a range of potential conflicts of interest, as well as the measures implemented to manage them.

Re item 1) Advisory services provided to Clients or the exercise of discretionary portfolio management for Clients in which the Company also has an earning interest.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
Conflicting interests between the Company and the Client, including through the exercise of self-interest by the Company.	<p>Retail and professional Clients:</p> <p>The Company has developed internal procedures and business processes for providing advisory services to the Client, including a process for advisory services and personal recommendations, which must always be based on the Client's situation. Appropriateness tests are prepared prior to any personal recommendations. Furthermore, when concluding portfolio management contracts, the Client must accept any investments in funds that the Company manages itself in writing. A declaration of appropriateness is delivered for retail-costumers.</p> <p>UCITS and AIFs</p> <p>The Company has pre-trade and post-trade checks of all trades, so that it is verified that every transaction is within the limits established by the board, prospect/investor information, the Financial Business Act, etc.</p> <p>The Company has drawn up an Order Execution Policy.</p> <p>Furthermore, brokers' order execution policies which are used are checked prior to appointing a new broker and updating the counterparty list. The PMs have their own procedures for assessing whether a given transaction is in the funds' interest and in accordance with the investment framework.</p> <p>The Company's executive board regularly, and at least every three months, reports to the funds' board.</p>
Re item 2) The more trades made for Clients, the greater the earnings for the Company in the form of fees.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
The Company has an incentive to perform frequent trades	<p>The conflict of interest is resolved by the Company not being allowed to receive commission for Clients' trading. Thus, the Company does not receive any commission for trading on behalf of the Company's Clients.</p>

Re item 3) The Company has an interest in spread income (the difference between purchase and sales prices).	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
The Company has an incentive to perform frequent trades	The conflict of interest is resolved by the Company not being allowed to have spread earnings from trading in securities or investment certificates.
Re item 4) The Company receives a sales commission for the brokerage of investment products or from third parties in connection with the performance of an investment service	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
<p>Receiving brokerage commission may mean that these products are recommended over other products, even if the investment is not appropriate for the Client in question.</p> <p>This might lead to a distortion, where the Client's best interest is not represented.</p>	<p>Own products:</p> <p>The Company receives no additional remuneration for the provisioning of its own products (including among others the Formuepleje investment fund, the Formuepleje capital funds and the real estate funds).</p> <p>In connection with the performance of investment services, the Company provides information about the Company not being independent and about advisory services concerning its own products.</p> <p>Advising on external products</p> <p>If fees are received from third parties in connection with an investment service for a Client, the Client will be informed of this rate in advance. If this happens in connection with the performance of discretionary portfolio management, the Client shall receive reimbursement for any fees that the Company may have received. If this happens in connection with investment advice or the brokerage of an order, the Company will be able to keep this amount, provided that 1) the Client is informed of the amount, and 2) the Company can document that the service in question is quality-improving.</p> <p>The Company has developed business processes for handling fees from third parties, including documentation of quality-improvement services.</p>
Re item 5) Trading in, or advisory services concerning, financial instruments about which the employee holds inside information or other confidential information relevant to the Client.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
Conflicting interests	The Company has prepared business procedures for the handling of inside information in accordance with MAR and Nasdaq issuer regulations. Compliance is responsible

Self-interest of the employee/company.	<p>for maintaining the permanent insider list and the incident-based insider list.</p> <p>Inside information for the Company's own funds listed on Nasdaq is primarily related to knowledge of NAV (net asset value).</p> <p>In addition to inside information, frequent processing is done of confidential information and information subject to Nasdaq issuer regulations and other disclosure obligations, to which a requirement to disclose as soon as possible applies.</p> <p>Instructions for the board secretariat have been drawn up, stating that all material for the board must be accessed confidentially. Furthermore, it must be ensured that Legal is included in decision points related to the funds in order to assess whether the point is subject to Nasdaq disclosure requirements or whether it may constitute inside information.</p> <p>Chinese Walls have also been ensured, as well as physical separation of employees in the asset management function and employees in the advisory function.</p> <p>In addition, it is noted that the risk of possession of inside information is deemed minimal, as the Company's primary activity is the management of UCITS and AIFs, where price and net asset value are calculated on the basis of the underlying assets – which is why actual information that may affect price is minimal. In addition, net asset value is published at least three times daily.</p>
Re item 6) Cases in which remuneration for the Company or the Group and/or the advisor is dependent on the return on the financial instrument in such a way that there is incentive for the advisor to encourage the Client to assume excessive risks.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
<p>Advice which is not in the Client's best interest due to the Company's own financial gain.</p> <p>The asset management advisor recommends the products where the Company has the strongest earnings or the products which are closest to High Water Mark (HWM).</p>	<p>Fixed and variable remuneration of the Company's advisors (retail) is not dependent on the volume of sales or the return on financial instruments. Thus, the advisor has no incentive to recommend one product over another.</p> <p>The advisor must ensure that appropriateness tests are conducted prior to any personal recommendations to ensure that the Client is not recommended products which are not appropriate for the Client. Furthermore, a declaration of appropriateness must also be drawn up and provided to retail Clients.</p>

	<p>The documentation is stored and retained by the Company in CRM. The Secretariat performs ongoing checks of appropriateness tests and declarations of appropriateness.</p> <p>Compliance shall also carry out random checks.</p>
Re item 7) If the Company has a financial incentive or another incentive to prioritise a Client or group of Clients above another Client's interests.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
Conflict between Clients, or conflicting interests between two Clients, where the Company favours one of these Clients.	<p>There may potentially be interests which mean that it is attractive to the Company to prioritise the needs of one Client at the expense of another. This interest is best minimised by maintaining documentation of the audit trail.</p> <p>Compliance assesses, among other things, whether the process for trading on behalf of Clients is sufficiently robust to ensure best execution and to guarantee that it occurs without conflicts of interest.</p> <p>The company's board has also provided detailed descriptions of the executive board's responsibilities in the executive board instructions to minimize potential conflicts of interest between the different client groups.</p> <p>In addition, the Company has approved discounts for particularly large Clients where this is not considered preferential treatment and does not create conflict with other Clients or Client groups. There is full transparency regarding this discount scheme, and one Client will not be given preferential treatment over another.</p>
Re item 8) If the Company and the Client do not have common interests in the outcome of the service supplied to the Client.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
The Client has been sold a product that is not appropriate for the Client	<p><u>Regarding the Funds:</u></p> <p>The Company must always follow the board's instructions, prospect/investor information and applicable law. Pre-trade and post-trade checks are performed which are reported to the board at the quarterly board meetings. Compliance reports to the Board of Directors regarding, among other things, active and passive breaches.</p> <p><u>Regarding retail and professional Clients:</u></p>

	<p>The Company has developed internal procedures and business processes for advisory services to the Client, including a process for advisory services and personal recommendations. Appropriateness tests and declarations of appropriateness (only for retail Clients) are drafted ahead of any personal recommendation. The documentation is stored and retained by the Company (in CRM/the Client folder). Furthermore, appropriateness tests are conducted when required by the investor protection regulations.</p> <p>Proper archiving of documentation for correspondence with Clients is ensured in the CRM system.</p> <p>With MiFID II, there is also a requirement for recording of phone conversations related to trades.</p> <p>Compliance continuously conducts random checks to ensure that the trading process for clients is adequate and sufficient, including proper documentation of Client transactions.</p>
Re item 9) By increasing leverage in the funds managed by the Company, the Company may increase profits in its capacity as fund manager, at the expense of greater risk.	
Where does the conflict of interest lie?	Management
As asset manager, the Company increases leverage to increase earnings from the fixed fee.	<p>Fees are always calculated from equity, not the balance sheet, which is why the Company cannot increase earnings through increased leverage</p> <p>Furthermore, the funds' boards of directors determine leverage limits within the upper limit for gearing in the articles of association. Changing these must first be approved by the general meeting.</p>
Re item 10) If the Company is remunerated based on results.	
Where does the conflict of interest lie?	Management
As asset manager, the Company can take unnecessary risks to achieve short-term returns.	<p>Regarding the Funds: The Company employs a fee structure that includes a fixed administration fee and a performance fee. The performance fee is structured in a way that ensures a focus on long-term returns rather than speculative, short-term returns.</p> <p>Also see item 6.</p> <p><u>Regarding retail and professional customers (except Family Office customers):</u></p> <p>The Company does not receive performance-based fees, except for the performance-based fees in the funds, cf.</p>

	<p>above. The Company does not receive separate fees for investment services offered to this customer group.</p> <p>The Company mainly receives a fee for its management and portfolio management of funds under its management. An exception to this is Clients in the Exclusive segment and individual discretionary mandates, who pay for the services the Company provides to these customers and where fee payment and possible performance-based payment appear from agreements with individual customers.</p>
Re item 11) If the employees' salary depends on the Company's earnings from certain financial instruments.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
The Company's asset management advisors recommend the products from which the Company makes the greatest earnings.	<p>The board of the Company has instructed the executive board that asset management advisors (retail) are not to be given sales or bonus targets, where different significance is assigned to the Customers choosing products with low or high earnings.</p> <p>The advisors are not paid based on performance in a way which is contrary to their obligation to act in the best interests of the customers.</p> <p>The Company complies with applicable rules on variable remuneration for customer-facing employees. A pay policy has also been drawn up which is updated regularly; at least annually.</p>
Re item 12) If the Company can achieve financial gain or avoid financial loss at the expense of a Customer.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
When carrying out the transaction.	The Company cannot trade over its own book.
Re item 13) If one or more employees of the Company personally trade in a financial instrument, and if one of the Company's Customers holds an interest in the same financial instrument, or if an employee holds financial instruments and simultaneously advises Customers or manages Customers' portfolios.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
<p>Conflicting interests between the Company's employee and the Customers.</p> <p>Self-interest among employees.</p>	<p>Internal rules and procedures have been established for the Company's employees, cf., among others, the Guidelines for employees' personal transactions, Policy for speculation and Business procedure for the handling of inside information.</p> <p>Furthermore, Compliance oversees regular random checks of the above documents and compliance therewith.</p>
Re item 14) If the Company represents a Customer who is selling one or more financial instruments and other Customers are potential buyers of these financial instruments.	

<i>Where does the conflict of interest lie?</i>	<i>Management</i>
Conflicting interests between two Customers, including any preferential treatment of one Customer over another Customer.	There may potentially be interests which mean that it is attractive for the Company to prioritise the needs of one customer at the expense of another. This potential conflict of interest is best minimised by maintaining documentation of the audit trail.
Re item 15) If the Company represents a Customer who wants to sell/buy one or more financial instruments where the buyer/seller is also an employee of the Company, or the buyer/seller is a company in which an employee of the Company holds a financial interest.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
<p>The conflict of interest may arise in situations where an employee wishes to sell a financial instrument – e.g. an investment certificate or a share in a real estate fund offered by the Formuepleje Group – and where the buyer is also a customer of the Company's.</p> <p>Furthermore, there may be potential conflicts of interest in situations where the employee is an employee/board member of the customer.</p>	<p>Ensured through documentation of audit trail. Ensured by such financial instruments not being sold through outreach sales, but only in situations where a customer contacts the Company with a desire to buy the specific financial instruments/real estate fund and where the Company has an employee who wants to sell said product. If an employee wants to communicate shares in an unlisted fund, e.g. a real estate fund, this will either be traded at the acquisition value or NAV according to the most recent annual statement – whichever of these is higher. If an employee wants to sell certificates in one of the listed investment funds, the employee must place the sales order with the secretariat, who brokers the order via market maker and has an obligation to act according to best execution.</p> <p>Potential conflicts of interest arising from an employee being an employee/board member of a customer are addressed by not allowing such employees to simultaneously be advisors to the customer. In addition, the executive board must approve such other duties in advance – and in this connection, assess whether there are any conflicts of interest, cf. internal business procedures.</p>
Re item 16) If the Company and the Customer do not have a common interest in the Company having access to the registers of shareholders in funds managed by the Company.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
The Company and its advisors can access information about the Customer's holdings and transactions without the Customer having consented to this.	The Company manages funds which the majority of the Company's Customers have investment or capital fund certificates in. This means that the Company has access to the registers of shareholders for the managing funds.

	<p>The Company is employed by the funds to, i.a., answer customer queries, which is why it is also believed that there is a legitimate purpose to an advisor being able to access this information: in order to provide the best advice and service to that customer.</p> <p>Through its structure, including internal processes and business procedures, the Company has ensured that information/access is only granted to the circle of persons who are entitled to access the personal information (the Customers' holdings). The Company believes that the group of advisors must have access to information about the customer's holdings, and thus the funds' registries of shareholders, for the sake of advisory services demanded by the customer. The Company's employees may not use the information for outreach sales. Moreover, such information may not be abused by the customer advisors in any way.</p> <p>The Company will not disclose information to consolidated companies or third parties without the Customer's consent, and only if such a disclosure is justified under applicable law. The above is also discussed in the company's privacy policy, which is distributed to investors in the funds in connection with investing in the fund in question.</p>
Re item 17) If the Company provides discounts to the Customers and where there may be conflicting interests in how large the discount is.	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
There may be conflicting interests, for example, between the Company and the customer, or the Company and other Customers, and a potential conflict of interest may arise where some Customers are favored at a greater discount than other customers.	The company's Board of Directors has established a discount scheme for larger customers (large customer agreements). The Board of Directors considers that the discount scheme does not pose a significant disadvantage to the other customers or customer groups.
Re 18) If, within the Company, there are conflicting interests among decision-makers in the Funds in relation to decisions covered by the Active Ownership Policy	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
When voting at a general meeting or exercising involvement, the interest of each sub-fund may differ. E.g. there may be a difference between the interests of share and bond holders.	In the rare cases where this is relevant, voting will be based on the sub-fund with the voting interest. Before each vote, an individual assessment is made of whether there are conflicts of interest between sub-funds. As regards involvement, such issues will typically be ESG-related, where conflict will very rarely arise.

Re 19) If the portfolio advisor has their own incentives that compromise the inclusion of sustainability risks	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
The portfolio manager may have their own interests that conflict with the inclusion of sustainability risks / the promotion of sustainability. This could be the case, for example, if their annual bonus is linked to returns, and if other choices could achieve higher returns (in the short term) but go against the sustainability profile of the Company/fund.	This is managed by the portfolio manager being subject to a comply-or-explain principle, as well as by ongoing screening and internal controls.
Re 20) If an advisor has conflicting interests with a client in relation to sustainability preferences	
<i>Where does the conflict of interest lie?</i>	<i>Management</i>
For example, such a situation may be one where – due to the client's sustainability profile – the advisor is unable to offer a Formuepleje product and thus has to inform the client accordingly. It may also concern a situation where the advisor's bonus remuneration is dependent on which funds and products are recommended	This is managed by the advisor being required to document their decisions and choices – including by completing suitability tests and providing suitability declarations, and by minuting the meeting. Furthermore, advisors' bonuses are not linked to sales, in accordance with MiFID rules in this respect.