

CONFLICT OF INTEREST POLICY

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Responsible for implementation	BSM	Implementation team(s)	BSM

Links to other corporate policies	<ul style="list-style-type: none"> - Organizational Regulations - Policy on Gifts, Courtesies and Business Privileges - Investment Committee Rules
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Version Control, Checks, Approvals			
When	Version	Who	Description
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TABLE OF CONTENTS

1	PURPOSE	3
2	REFERENCE DOCUMENTS	3
3	COVERED PARTIES	3
4	POLICY PRINCIPLES	4
5	POLICY PROVISIONS	4
5.1	AVOIDING AND DISCLOSING A CONFLICT OF INTEREST	4
5.2	INVESTIGATING A CONFLICT OF INTEREST	5
5.3	ADDRESSING A CONFLICT OF INTEREST	5
5.4	DECLARING INTERESTS.....	5
5.5	REGISTER OF CONFLICTS OF INTEREST	6
5.6	TRANSPARENCY AND GOOD FAITH	6
5.7	TRAINING	6
5.8	GIFTS, COURTESIES AND BUSINESS PRIVILEGES.....	6
5.9	ORGANIZATION OF THE PORTFOLIO MANAGER	6
5.10	ORGANIZATION OF THE BUSINESS SERVICES MANAGER	6
5.11	POLICY BREACHES.....	7
6	POLICY RESPONSIBILITIES	7
6.1	COVERED PARTIES.....	7
6.2	BOARD.....	7
6.3	BOARD MEMBERS	7
6.4	PERFORMANCE AND IMPACT COMMITTEE	7
6.5	PORTFOLIO MANAGER	7
6.6	BUSINESS SERVICES MANAGER	8
6.7	SECO	8
7	APPROVAL	8
	APPENDICES	9
	APPENDIX 1. STRUCTURE OF THE REGISTER OF CONFLICTS OF INTEREST.....	9

1 PURPOSE

- 1.1.1** This Conflict of Interest Policy (the “**Policy**”) sets out SIFEM’s arrangements in connection with the identification, documentation, escalation and management of conflicts of interest.
- 1.1.2** It defines the rules for dealing with potential conflicts of interest faced by those listed in Section 3 below, in their representational or operational tasks and duties for SIFEM (the “**Company**”).
- 1.1.3** The objective of this Policy is to protect the Company’s reputation and integrity, to ensure compliance with regulatory requirements, and to maintain the respect and trust of its stakeholders and its shareholder.
- 1.1.4** Its aim is to:
- provide clear guidelines for the covered parties on how to identify, address and manage both existing, potential or perceived conflicts of interest that may arise in the course of their duties,
 - define precautionary measures and procedures for the purpose of preventing or eliminating conflicts of interest,
 - define the process for resolving conflicts of interest in situations where precautionary measures are inapplicable,

2 REFERENCE DOCUMENTS

- 2.1.1** The Policy has the following regulatory basis:
- Corporate Governance Rules of the Swiss Confederation¹, Corporate Governance, in particular guiding principle 6
 - SIFEM-Law (to be entered into force on 01 January 2025): Art. 11: Interessenbindungen des Verwaltungsrates,
 - Art. 57 let. f of the 172.010 Regierungs- und Verwaltungsorganisationsgesetz² (RVOG)
 - Art. 8f of the 72.010.1 Regierungs- und Verwaltungsorganisationsverordnung³ (RVOV)
 - Organisational Regulations of the Company.

3 COVERED PARTIES

- 3.1.1** This Policy applies to the following parties, the “**Covered Parties**”:
- The members of the Board of Directors (“**Board members**”);
 - The Board Secretary;
 - Employees of the Portfolio Manager, in their capacity as representatives of the Company;
 - Employees of the Business Services Manager, in their capacity as representatives of SIFEM.
 - Any other person who may represent SIFEM from time to time
 - Any additional SIFEM staff who may be appointed

¹ https://www.efv.admin.ch/dam/efv/de/dokumente/finanzpolitik_grundl/cgov/37%20Leits%C3%A4tze.pdf.download.pdf/CG_Leitsaetze_d.pdf

² https://www.fedlex.admin.ch/eli/cc/1997/2022_2022_2022/de

³ <https://www.fedlex.admin.ch/eli/cc/1999/170/de>

4 POLICY PRINCIPLES

4.1.1 A “**Conflict of Interest**” may occur if an interest or activity influences or appears to influence the ability of a Covered Party to exercise objectivity or impairs a Covered Party’s ability to perform their duties and responsibilities in the best interests of the Company. In particular, conflicts of interest may originate between:

- the interest of a Covered Party and the interest of the Company,
- the interests amongst and between two or more Covered Parties.

4.1.2 A Conflict of Interest may be existing, potential or perceived.

4.1.3 Conflicts of interest include, but are not limited to, situations where a Covered Party might, for instance:

- obtain financial gain or avoid financial detriment at the Company’s expense through a Covered Party’s use of inside information, his/her position, or any other aspect of his/her relationship with the Company that may reasonably be expected to cause such an outcome,
- have an interest in or benefit from the outcome of a business deal or a transaction entered into or to be entered into by or on behalf of the Company, which differs from the Company’s interests,
- have a financial or other motive for favouring the interests of Covered Parties, thus negatively impacting the Company, and/or its clients or stakeholders,
- have a financial or other incentive to favour the interests of a particular investee or group of investees,
- carry on the same business or activity as an investee of the Company,
- provide various investment services in parallel where the objectives may be contradictory,
- receive, or will receive, from a person or organisation an inducement in relation to a service provided to an investee, or a target investee, in the form of monies (hard or soft), goods or services, other than the contractual commission or fee agreed on by the Company for that service;
- use confidential information to which they have access by virtue of their duties and services to the Company for purposes beyond their mandate for the Company.

5 POLICY PROVISIONS

5.1 AVOIDING AND DISCLOSING A CONFLICT OF INTEREST

5.1.1 Covered Parties must do their utmost to avoid any situation that constitutes, or could constitute, a Conflict of Interest. If they are unable to do so, they must disclose any Conflict of Interest as soon as it arises to the Board Chair, and in writing to the full Board at the next possible opportunity. Such disclosures must be made ahead of the next Board meeting.

5.1.2 In case of doubt, the Covered Party must immediately consult the Board Chair.

5.1.3 If the conflict of interest concerns the Board Chair, the Board Chair should immediately inform SECO.

5.1.4 Conflicts of Interest relating to investment decisions taken by the IC shall be disclosed as specified in the “Investment Committee Rules”.

5.2 INVESTIGATING A CONFLICT OF INTEREST

5.2.1 When a potential Conflict of Interest is identified, the Board will then provide the Covered Party with an opportunity to disclose all material facts. The Board will collect all pertinent information and question the involved parties.

5.2.2 If it emerges that a conflict does not exist, the inquiry will be documented in the Register of Conflicts of Interest but no further action will be taken.

5.3 ADDRESSING A CONFLICT OF INTEREST

5.3.1 If the Board determines that a Conflict of Interest exists, it must take the appropriate action to address it. This may include, but is not be limited to, prohibiting any Covered Parties from remaining in the room, participating in the discussion and/or voting on any matter related to said Conflict of Interest.

5.3.2 In principle, a permanent conflict of interest is not acceptable.

5.3.3 The conflict must be documented in the Register of Conflicts of Interest.

5.4 DECLARING INTERESTS

5.4.1 According to art 57. let f RVOG and art. 8f RVOV, prospective Board members shall declare to the Company and SECO all their interests before their nomination as Board member using an appropriate questionnaire (the “**Declaration of Interests**”).

5.4.2 The Board members must update annually their respective Declarations of Interests and submit them to the Company and SECO.

5.4.3 Throughout their term with the Company the Board members must immediately disclose any changes in interests as they arise.

5.4.4 In their Declaration of Interests, the Board members shall disclose:

- their professional activities;
- the positions they hold in management, supervisory, advisory or other bodies in Swiss or foreign companies, establishments or foundations, under private or public law public law;
- consultancy or expert functions they perform on behalf of departments of the Confederation;
- permanent management or consultancy functions on behalf of Swiss or foreign interest groups Swiss or foreign interest groups;
- duties they perform for other federal bodies.

Professional secrecy within the meaning of the Swiss Criminal Code is reserved.

5.4.5 The declared interests are made public on the following page of the Federal Council: https://www.admin.ch/ch/d/cf/ko/Gremien_interessenbindung_10240.html.

5.5 REGISTER OF CONFLICTS OF INTEREST

- 5.5.1 The Company shall maintain and regularly updates a register of Conflicts of Interest in the format available in Appendix 1.
- 5.5.2 The register is managed and maintained by the Business Services Manager and is submitted for Board review at least once a year.

5.6 TRANSPARENCY AND GOOD FAITH

- 5.6.1 In abiding by the provisions of the Policy, the Covered Parties undertake to be guided by and adhere to the principles of transparency and utmost good faith.

5.7 TRAINING

- 5.7.1 Training on the requirements of this Policy will be provided to Covered Parties in order to comply with the Corporate Government rules of the Swiss Confederation.

5.8 GIFTS, COURTESIES AND BUSINESS PRIVILEGES

- 5.8.1 The guidelines and provision relating to gifts, courtesies and business privileges are set out in a separate policy.

5.9 ORGANIZATION OF THE PORTFOLIO MANAGER

- 5.9.1 The Portfolio Manager must maintain and operate effective organizational and administrative arrangements with a view to taking appropriate steps designed to identify, prevent, manage and monitor Conflicts of Interests within its own organization to prevent any adverse impact on the interests of the Company.
- 5.9.2 The Portfolio Manager must share with the Company its internal conflict of interest policy, an extract of the relevant declarations of interest and an extract of the register of conflicts of interest pertaining to the services it provides to the Company, and any subsequent updates of these documents and declarations.
- 5.9.3 The Portfolio Manager will inform the Board of any potential conflicts of interest that may affect the interests of the Company. The Portfolio Manager shall consult at any time with the Board, through the Investment Committee, on current or potential Conflicts of Interests resulting from any transactions carried out within the scope of its authority, pursuant to the its Investment Management Agreement with the Company.

5.10 ORGANIZATION OF THE BUSINESS SERVICES MANAGER

- 5.10.1 The Business Services Manager must maintain and operate effective organizational and administrative arrangements with a view to taking appropriate steps designed to identify, prevent, manage and monitor Conflicts of Interests within its own organization to prevent them any adverse impact on the interests of the Company.
- 5.10.2 The Business Services Manager must share with the Company its internal conflict of interest policy, an extract of the relevant declarations of interest and an extract of the register of conflicts of interest pertaining to the services it provides to the Company, and any subsequent updates of these

documents and declarations.

5.10.3 The BSM will inform the Board of any potential conflict of interest that may affect the interests of the Company.

5.11 POLICY BREACHES

5.11.1 All breaches of this Policy must be reported to the Board.

5.11.2 In the event that a Covered Party, and by analogy, a contractor, service provider or other such party is in breach of this Policy, the Company shall immediately terminate its contractual relationship with that party.

6 POLICY RESPONSIBILITIES

6.1 COVERED PARTIES

- Compliance with this Policy at all times
- Disclose any Conflict of Interest at the beginning of any discussion or deliberation of the Company

6.2 BOARD

- Approval of this Policy,
- Effective monitoring of the implementation of this Policy
- Ultimate responsibility for managing Conflicts of Interest
- Annual reviews and acknowledgment of the Register of Conflicts of Interest

6.3 BOARD MEMBERS

- Annual update and submission of Declaration of Interests
- Immediate notification to the Board and SECO of any change of interests.

6.4 PERFORMANCE AND IMPACT COMMITTEE

- Review of any updated policy drafts submitted by the BSM.
- Submission for Board approval of any proposed updates to this policy

6.5 PORTFOLIO MANAGER

- Implementation and maintenance of appropriate procedures to manage internally conflicts of interest
- Sharing with the Company of documentation relating to the internal management of conflicts of interest in relation to the SLA
- Notification to the Company of any Conflict of Interest

6.6 BUSINESS SERVICES MANAGER

- Implementation and maintenance of appropriate procedures to manage internally conflicts of interest
- Sharing with the Company of the documentation relating to the internal management of conflicts of interest in relation to the SLA
- Notification to the Company of any Conflict of Interest
- Policy update and re-draft
- Maintenance of the Register of Conflicts of Interest

6.7 SECO

- Annual notification to the Federal Department of Economic Affairs, Education and Research (EAER, WBF).
- Review and confirmation that interests of a newly selected Board member are compatible with his/her tasks and duties for SIFEM and do not constitute any conflict of interest.
- Publication of the Declarations of Interests of the Board members on the website of the Federal Council.

7 APPROVAL

The Policy was approved by the Board of directors on 17 April 2024 and is effective as of that date.

APPENDICES

APPENDIX 1. STRUCTURE OF THE REGISTER OF CONFLICTS OF INTEREST

The Conflict of Interest Register shall at least contains the following information

Global

- Date of last review by the Board
- Date of last individual Questionnaire submitted to SECO

Per conflict of interest identified

- Case number
- Date registered
- Type of conflict (ongoing or one-off)
- Materiality (existing, potential, perceived)
- Concerned Party
- Description of Conflict of Interest
- Decision of the Board:
 - Mitigation/Resolution measures/non resolution of the conflict of interest
 - Date mitigated/resolved/non resolved