

Code of Conduct



PREAMBLE

This Code of Conduct (“the Code”) is a set of principles to provide guidelines in our professional conduct with clients, colleagues and community. As a member of European Governance Partners (EGP) you agree to adhere to this Code.

Whilst the EGP does everything within its power to ensure a high standard of professional and ethical behaviour from all its members. EGP is not a regulatory body, it is a grouping (Groupement d’Intérêt Economique) consisting of volunteers and to this effect EGP is unable to monitor individuals or businesses or to mediate any disputes which may arise.

The following principles and recommendations are interlinked based on EcoDa’s recommendations. The members of EGP share the view of considering the “Board as an efficient, professional decision maker” (EcoDa). When serving as the Director of a Luxembourg registered fund, EGP Partners also agree to adhere to the ALFI Code of Conduct.

In the event that a perceived breach of our Code by one of the Partners is brought to our attention, our procedure is for other Partners of EGP to:

- Speak to the person bringing the matter to EGP attention
- Suggest that person speaks to the other party informally to resolve the matter amicably
- Minute the matter at an EGP meeting

The members of EGP agree to the following:

PRINCIPLES

- **Integrity**
Confidentiality, Identification, Management and Disclosure of any potential Conflicts of Interest, Loyalty
- **Independence**
Act independently in the best interests of the company, its shareholders and in the case of an Investment Fund Manager (IFM) the shareholders of the funds managed by the IFM.
- **Care**
Provide sufficient time and resources, act diligently
- **Objectivity**
Apply Impartiality and an Equitable approach to informed decision making
- **Skills**
Experience, Competence (fit for purpose), Continuous Professional Development 2

DUTY OF CARE

- Devote sufficient time , care and diligence
- Act only on an informed basis
- Possess the necessary skills and experience to make sound business decisions
- Consider the likely outcome of their decisions carefully
- Consult expert advisors where necessary

OTHER DIMENSIONS

- Soft Law: “comply or explain”
- Delegation of authority with “checks and balance”
- Loyalty and confidentiality
- Alignment of incentives
- Accountability and transparency
- Conflict of interest – Identify, Manage, Disclose
- Minority shareholders oversight

GUIDELINES OF PROFESSIONAL CONDUCT

- Uphold ethical standards of integrity and probity;
- Act objectively and constructively while exercising their duties;
- Exercise their responsibilities in a bona fide manner in the interest of their mandate;
- Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- Not allow any extraneous considerations that would invalidate objective independent judgment in the paramount interest of their mandate as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- Not abuse their position to the detriment of their mandate or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- Refrain from any action that would lead to loss of their independence;
- Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- Assist their mandate in implementing the best corporate governance practices.

ROLE AND FUNCTIONS

- Help in bringing an independent judgment to bear on the Board’s deliberations especially on issues of Strategy, Performance, Risk Management, Resources, Delegations, Key Appointments and Standards of Conduct;
- Bring an objective view to the evaluation of the performance of the Board and management;
- Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;



- Safeguard the interests of all stakeholders, particularly the minority shareholders;
- Balance the conflicting interest of the stakeholders;
- Input into the determination of appropriate levels of remuneration for executive directors, key managerial personnel and senior management, and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- Moderate and arbitrate in the interest of their mandate as a whole, in situations of conflict between management and shareholder's interest.

DUTIES

- Undertake appropriate training on appointment to a mandate and regularly update and refresh their skills, knowledge and familiarity with their mandate;
- Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of their mandate;
- Strive to attend all meetings of the Board of Directors and of the Board committees of which they are members;
- Maintain communication with senior executive management between board meetings and provide advice and guidance as necessary
- Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- Strive to attend the general meetings of their mandate where appropriate;
- Where they have concerns about the running of their mandate or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- Keep themselves well informed about their mandate and the external environment in which it operates;
- Not to obstruct the functioning of an otherwise proper Board or committee of the Board without due reason;
- Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of their mandate;
- Ascertain and ensure that their mandate has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- Report concerns about unethical behaviour, actual or suspected fraud or violation of their mandate's Code of Conduct or ethics policy;
- Acting within their authority, assist in protecting the legitimate interests of their mandate, shareholders and its employees;

CONFLICT OF INTEREST

Directors will not engage in any business, relationship or activity, which may be in conflict with the interests of their mandate(s).

Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Whenever there is a doubt it is important that the Director should disclose the possible conflict of interest with the Chairman who may at his discretion take up the matter with Board in consultation with the Director. Set forth, are some of the common circumstances that may lead to a conflict of interest, actual or potential:

- They should not engage in any activity/employment that interferes with the performance or responsibility to their mandate or is otherwise in conflict with or prejudicial to their mandate.
- They and their immediate families should not invest substantially or in a material manner in a their mandate, customer, supplier, developer or competitor, and generally refrain from investments that may compromise their responsibility to their mandate, without relevant disclosures.
- They should avoid conducting their mandate business with a relative or with a firm in which a relative/related party is associated in any significant role. If such related party transaction is unavoidable, it must be fully disclosed to the Board of their mandate.

COMPLIANCE

The Directors are required to comply with all applicable laws, rules and regulations, both in letter and in spirit. In order to assist their mandate in promoting lawful and ethical behavior, the Directors must report any possible violation of laws, rules, regulations or code of conduct to the Board of Directors. Directors must make themselves familiar with any code of conduct, policies and procedures within the Company that may be applicable to them in their role as a Director.

OTHER DIRECTORSHIPS

The Directors must disclose their Directorships on the Boards of other Companies and substantial shareholdings in other Companies to the Board on an annual basis.

Before accepting new mandates a Director will discuss with their existing Boards to obtain agreement that no potential conflict of interest will occur through their acceptance of the new mandate.

CONFIDENTIALITY OF INFORMATION

Any information concerning their mandate's business, its customers, suppliers, etc., which is not in the public domain and to which the Directors have access or possesses such information, must be considered confidential and held in confidence.

No Director shall disclose confidential information either formally or informally, including commercial secrets, technologies, product development, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law or regulation.

The confidentiality has also to be respected after the termination of / resignation from a mandate. ►

INSIDER TRADING

A Director shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about his/her mandate that is not in public domain and therefore constitutes insider information. All Directors will comply with the Insider Trading Policy of their mandate and applicable laws and regulations.

PROTECTION OF ASSETS

Directors must protect their mandates' assets, labour and information, and should not use these for personal use, unless approved by the Board. Specifically Directors must consider the legal and regulatory requirements of data privacy, including but not limited to GDPR, cybersecurity risks and other risks associated to the data that they store, or have access to, relating to their mandates.

PERIODIC REVIEW

Once every year or upon revision of this code, every Director must acknowledge and execute an understanding of the Code and an affirmation that he/she has complied with the Code. New members of EGP will for the first time sign such a deed at the moment of joining the partnership.

ACKNOWLEDGEMENT

Acknowledgement

As an Independent Director and Member of EGP, I hereby acknowledge that I have received and read the Code of Conduct (version 5, January 2021). I understand that it is my responsibility to comply with the Principles and Guidelines of the Code and that I will consult with EGP if I have any questions regarding the provisions of the Code.

I understand and agree that as a member of EGP it is my responsibility to promote the application of this Code.

Date

Name