

CONFLICTS OF INTEREST POLICY

The Firm's Board of Directors, in conjunction with Legal and Compliance, takes responsibility for implementing systems and controls designed to prevent conflicts of interest in Polunin's business. These are outlined in the Register of Conflicts of Interest, which is updated as and when a new or potential 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 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 of Interest

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 of Interest

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 of Interest 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.

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 declare any outside business interests when first employed by the Firm, and obtain prior approval from the Compliance Officer before taking any new 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. Please refer to the Firm's Outside Business Interests Policy.

Management of Conflicts of Interest

Where a conflict of interest is unavoidable, Polunin will take appropriate measures to mitigate and manage it in a manner that seeks to ensure that the Firm and its Staff are not advantaged and that no Client is adversely effected.

Disclosure of Conflicts of Interest

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 conflict 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 the 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 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.

Monitoring of Conflicts of Interest

Polunin has implemented a number of procedures and controls to detect conflict of interest situations as they arise and the Board will ensure that the Register of Conflicts of Interest is updated accordingly. Once a conflict of interest has been identified, further procedures and controls are put in place to monitor the effectiveness of the management arrangements for such conflict of interest.



In addition, the Firm's Compliance Monitoring Programme incorporates specific tests which are aimed at reviewing the Firm's performance in the management of the conflicts of interest that it has identified.

Recording and Reporting of Conflicts of Interest and Management Information

Both actual and potential conflicts faced by Polunin in its daily business are detailed in the Register of Conflicts of Interest, which is maintained by the Compliance Officer. The Register of Conflicts of Interest additionally summarises the means by which Polunin mitigates and/or manages these conflicts. Where new services/products are considered by the Firm's directors, possible conflicts of interest will be discussed and added to the Register of Conflicts of Interest as necessary.

'Conflicts of interest' is a standing agenda item for the Board meetings, and, as such, conflicts of interest are formally considered by the Board during every such meeting. The Board will review the Register of Conflicts of Interest and Register of Business Interests and the results of any Conflicts monitoring where exceptions have been raised. Where deficiencies are reported, the Board will ensure that appropriate steps are taken to address the identified deficiencies. The Compliance Officer will be empowered to oversee the resolution and remediation of the conflict of interest.

This Conflicts of Interest Policy shall be reviewed and ratified on at least an annual basis by the Board.

Training on Conflicts of Interest

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 PAD and policies relating to the receipt of gifts and inducements.

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.