

**Blue Diagonal Capital Ltd has set a Policy on the management of Conflicts of Interest with the objective of ensuring that clients are not adversely affected.**

This document summarises Blue Diagonal Capital's Conflicts of Interest Policy, which Blue Diagonal Capital follows.

Blue Diagonal Capital has established a Conflicts of Interest Policy setting out the procedures and controls to effectively identify and manage the conflicts and potential conflicts that may arise during the course of our business.

In addition to its Policy, Blue Diagonal Capital has a Conflicts of Interest Register which notes the conflicts of interest that have been identified for Blue Diagonal Capital and the controls in place to manage those conflicts of interest.

This Policy applies to all Directors, employees and delegated services.

### **Identification of Conflicts**

Blue Diagonal Capital has systems and controls in place to identify conflicts of interest, encompassing actual, potential, perceived or alleged. Once a conflict has been identified, procedures are implemented to ensure it is appropriately managed through Blue Diagonal Capital's Conflicts of Interest Register.

Conflicts of interest are of particular concern if they give rise to actual or potential detriment to a client, and by way of example, may include where the company or any employee:

- is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- carries on the same business as the client; or
- receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.
- receives or will receive from any person an inducement, benefit or gift which will cause the exercising of undue influence over a Director, employee or delegated service provider, undermining his independence, cause him to favour one Client over another, and/or cause him to act in a manner which is not consistent with the best interests of Blue Diagonal's clients

## Managing Conflicts of Interest

Blue Diagonal Capital has established procedures which are designed to identify and manage conflicts of interests. The following are examples of conflicts and the arrangements for managing these conflicts (this is not an exhaustive list):

- ❑ The corporate governance structure/organisational arrangements we have implemented provides for the segregation of duties and so prevents conflicts arising through preventing and ensuring that no one individual can exercise undue or inappropriate influence over a particular process.
- ❑ The appointment of independent Directors who are not involved in the day to day business of the Company providing independence to the Company's corporate governance to ensure the functional and hierarchical segregation between the investment and the control functions are effectively maintained to ensure regulatory compliance and to enhance investor protection.
- ❑ The remuneration policy does not encourage excessive risk taking by the portfolio management function, and the remuneration of persons principally engaged in risk management and/or compliance has no direct linkage with the revenues of BDC
- ❑ Personal account dealing restrictions are applicable to all employees and connected persons.
- ❑ Identification and management of potential personal conflicts of interest which individual colleagues might face, including gifts and hospitality which may be given or accepted.
- ❑ Directors and employees are required to maintain any outside business interest and external directorships in compliance with Blue Diagonal's Conflict of Interest Policy.

## Review

All policies and procedures for identification and management of conflicts of interest are subject to, as a minimum, an annual review and any significant issues will be reported to Senior Management and to the Board as necessary.

Further detail on our Conflicts of Interest Policy can be provided on request.

Blue Diagonal Capital Limited

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