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CONTENT	SUBTITLE	TITLE
<div class="crrArticle"> <p>For the purposes of Article 9(2) of Regulation (EU) No 346/2013, the types of conflict of interest shall be situations where a manager of a qualifying social entrepreneurship fund, a person who effectively conducts the business of that manager, an employee, or any person who directly or indirectly controls or is controlled by that manager, by another qualifying social entrepreneurship fund or a collective investment undertaking, including an undertaking for collective investment in transferable securities (UCITS), managed by the same manager, or the investor therein:</p> <ul style="list-style-type: none"> is likely to make a financial gain, or avoid a financial loss, at the expense of the qualifying social entrepreneurship fund or its investors; has an interest in the outcome of a service or an activity provided to the qualifying social entrepreneurship fund or to its investors which is distinct from the interest of the qualifying social entrepreneurship fund or its investors; has an interest in the outcome of a transaction carried out on behalf of the qualifying social entrepreneurship fund or its investors which is distinct from the interest of the qualifying social entrepreneurship fund or its investors; has a financial or other incentive to favour: <ol style="list-style-type: none"> the interest of an investor, a group of investors or another collective investment undertaking, including a UCITS, over the interest of the qualifying social entrepreneurship fund or its investors; the interest of one investor in the qualifying social entrepreneurship fund over the interest of another investor or group of investors in that fund; carries out the same activities for the qualifying social entrepreneurship fund, another collective investment undertaking, including a UCITS, or an investor; pays or is paid any fee or commission, or provides or is provided with any non-monetary benefits, other than those laid down in Article 24(1) of Commission Delegated Regulation (EU) No 231/2013Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (OJ L 83, 22.3.2013, p. 1).; influences and has a personal interest in influencing the development of a qualifying portfolio undertaking to the disadvantage of the qualifying social entrepreneurship fund or its investors or at the expense of the achievement of the objectives of the qualifying social entrepreneurship fund. </div>	Types of conflict of interest	Article 1
<ol style="list-style-type: none"> A manager of a qualifying social entrepreneurship fund shall establish, implement and maintain a written conflicts of interest policy that is appropriate to the size and organisational structure of that manager given the nature, scale and complexity of its business. The conflicts of interest policy referred to in paragraph 1 shall identify, in line with Article 1, the circumstances that may give rise to a conflict of interest and shall specify the measures to be adopted and the procedures to be followed on an ongoing basis. 	Conflicts of interest policy	Article 2
<div class="crrArticle"> <p>The measures to be adopted and procedures to be followed referred to in Article 2(2) shall include at least the following steps:</p> <ul style="list-style-type: none"> the prohibition of the exchange of information between the persons or entities referred to in Article 1, where such an exchange of information could lead to or facilitate a conflict of interest; the </div>		

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separation of the supervision of persons or entities referred to in Article 1 whose interests may conflict;	Procedures and measures to prevent, manage and monitor conflicts of interest	Article 3
<div class="crrArticle"><p>the removal of the connection between or dependence on the remuneration of the persons or entities referred to in Article 1 principally engaged in one activity, and the remuneration of, or revenues generated by, persons or entities principally engaged in another activity, where a conflict of interest may arise in relation to those activities;</p><p>the prevention of persons or entities referred to in Article 1 from exercising inappropriate influence over the management of the qualifying social entrepreneurship fund;</p><p>the prevention or control of the involvement of persons or entities referred to in Article 1 in any activity that may lead to a conflict of interest.</p></div>	Managing the consequences of conflicts of interest	Article 4
<ol class="crrNumList" style="list-style-type: none">Managers of qualifying social entrepreneurship funds shall develop in writing adequate and effective strategies for determining when and how to exercise voting rights held in the qualifying social entrepreneurship fund portfolio for the benefit of both the qualifying social entrepreneurship fund concerned and its investors.<p>The strategies referred to in paragraph 1 shall determine the measures to be adopted and procedures to be followed and shall include at least the following steps:</p><ol class="crrCharList" style="list-style-type: none">monitoring of relevant corporate actions;ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the qualifying social entrepreneurship fund;prevention and management of any conflicts of interest arising from the exercise of those voting rights.Managers of qualifying social entrepreneurship funds shall upon request, provide investors with a summary description of the strategies referred to in paragraphs 1 and 2 and the details of the actions taken pursuant to those strategies.	Strategies for the exercise of voting rights to prevent conflicts of interest	Article 5
<ol class="crrNumList" style="list-style-type: none">Managers of qualifying social entrepreneurship funds shall provide the information referred to in Article 9(4) of Regulation (EU) No 346/2013 in a durable medium as referred to in point (m) of Article 2(1) of Directive 2009/65/EC of the European Parliament and of the Council Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). and keep that information up to date.<p>Managers of qualifying social entrepreneurship funds may provide the information referred to in paragraph 1 by means of a website, without addressing that information personally to the investor, provided that all of the following conditions are satisfied:</p><ol class="crrCharList" style="list-style-type: none">the investors have been notified of the address of the website and of the place on the website where the information can be accessed;the investors have consented to the	Disclosure of conflicts of interest	Article 6

provision of that information by means of a website;the information is continuously accessible on the website for such period of time as the investors may reasonably need to access it. 		
<ol class="crrNumList"> <p>Managers of qualifying social entrepreneurship funds shall ensure that the procedures referred to in Article 10(1) of Regulation (EU) No 346/2013 contain at least the following:</p> <ol class="crrCharList"> an evaluation of resources used by the qualifying portfolio undertakings; an evaluation of products and services made available by the qualifying portfolio undertakings; an evaluation of outcomes attributable to the activities of the qualifying portfolio undertakings. For the purposes of point (c) of the first subparagraph, outcomes which would have happened anyway and outcomes attributable to third parties shall not be attributable to the activities of the qualifying portfolio undertakings. Evidence supporting the evaluations referred to in paragraph 1 shall be subject to audit in accordance with Article 13(3) of Regulation (EU) No 346/2013. 	Procedures to measure positive social impact	Article 7
<ol class="crrNumList"> <p>The information referred to in point (i) of Article 14(1)(c) of Regulation (EU) No 346/2013 shall contain at least the following:</p> <ol class="crrCharList"> the social sector or sectors in which the qualifying portfolio undertakings are active; the geographical area in which the qualifying portfolio undertakings are active; the legal forms of the qualifying portfolio undertakings; a detailed description of the distribution of the qualifying portfolio undertakings' profits. The information referred to in points (ii) and (iii) of Article 14(1)(c) of Regulation (EU) No 346/2013 shall contain information about at least the investment profile of the other qualifying social entrepreneurship fund and the information supplied by the qualifying social entrepreneurship fund in accordance with paragraph 1 of this Article. The information referred to in point (iv) of Article 14(1)(c) of Regulation (EU) No 346/2013 shall contain information about at least the types of assets in which the qualifying social entrepreneurship fund invests. The information referred to in point (v) of Article 14(1)(c) of Regulation (EU) No 346/2013 shall contain information on, at least, whether the techniques include equity instruments, quasi-equity instruments, securitised or un-securitised debt instruments, secured or unsecured loans or any other type of participation in qualifying portfolio undertakings. The information referred to in point (vi) of Article 14(1)(c) of Regulation (EU) No 346/2013 shall contain information on, at least, whether the investment strategy of the qualifying social entrepreneurship fund contains any investment restrictions in terms of sectors, activities, geographical areas, investment percentages or limits, or any other restrictions. 	Description of the investment strategy and objectives	Article 8
<ol class="crrNumList"> The information referred to in Article 14(1)(d) of Regulation (EU) No 346/2013 shall specify targeted products and services to be provided by the qualifying portfolio undertakings in which the qualifying social entrepreneurship fund invests. Where the information referred to in Article 14(1)(d) of Regulation (EU) No 346/2013 contains information on projections of positive social impacts, it shall describe the assumptions on the basis of which those projections are calculated. Where the information referred to in Article 14(1)(d) of Regulation (EU) No 346/2013 contains information on past performance in terms of positive social impact, it shall contain a copy of the most recent annual report, or a summary of the relevant information contained in the annual report referred to in Article 13(2) of Regulation (EU) No 346/2013. 	Information on positive social impact	Article 9

<div class="crrArticle"> <p>The information referred to in Article 14(1)(e) of Regulation (EU) No 346/2013 shall contain at least the following:</p> <ol class="crrCharList" style="list-style-type: none"> a declaration as to whether social impacts are measured on the basis of internal methodologies or other generally accepted methodologies; a description of the main features of the methodologies including the screening criteria and the relevant indicators used to measure social impacts. </div>	Information on methodologies used to measure social impact	Article 10
<div class="crrArticle"> <p>The information referred to in Article 14(1)(f) of Regulation (EU) No 346/2013 shall contain at least a description of all of the following:</p> <ol class="crrCharList" style="list-style-type: none"> investment techniques and applicable investment restrictions; the sector or sectors of activity of the non-qualifying portfolio undertakings; the geographical area in which the non-qualifying portfolio undertakings are active; the criteria to be used in selecting the types of assets. </div>	Description of non-qualifying assets	Article 11
<div class="crrArticle"> <p>The information referred to in Article 14(1)(l) of Regulation (EU) No 346/2013 shall contain at least:</p> <ol class="crrCharList" style="list-style-type: none"> a description of the types of business support services and other support activities; information about whether the business support services and other support activities are provided by third parties. </div>	Information about support services	Article 12
<div class="crrArticle"> <p>This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. It shall apply from 11 December 2019.</p> </div>	Entry into force and application	Article 13