

Summary of Policy
of Prevention and
Management of
Conflicts of Interest
CACEIS Investor Services Bank
S.A.

1 SUMMARY

CACEIS Investor Services Bank S.A., including its branches and subsidiaries, hereafter 'CACEIS Investor Services Bank' or 'the Bank' must identify, prevent and manage the conflicts of interest inherent in the business it conducts.

This policy outlines how the Bank meet its obligations under the Luxembourg regulation and additional requirements for its branches and subsidiaries where applicable. These require a bank to manage conflicts of interest fairly, both between itself and its clients and between clients.

2 SCOPE

The policy applies to all Bank employees operating out of all of the regulated entities used by the Bank.

Bank's employees are expected to be familiar with and follow the standards and requirements contained in this Policy.

3 REQUIREMENTS

The responsibility for identifying potential (or perceived) conflicts of interest ultimately rests with the 'first line of defence' business unit heads (i.e. the heads of department involved in the day to day running of the Bank's business e.g. Sales and Operations).

The Bank conducts business in varying capacities, and the Bank recognizes that Conflicts of interest may arise as a result of this. The Bank is required to take "all appropriate" steps to identify and to prevent or manage Conflicts of interest between:

- the Bank including its managers and employees or any person directly or indirectly linked to them by control, and a client of the Bank, or
- one client of the Bank and another client."

The Bank maintains and operates effective organizational and administrative arrangements designed to prevent conflicts of interest from adversely affecting the interests of its clients. Finally, where arrangements made by the Bank to manage Conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, then Bank shall clearly disclose to the client(s) before undertaking business on their behalf the general nature or sources of conflicts of interest, or both, and the steps taken to mitigate those risks.

The Bank defines a 'Conflict' or 'Conflict of Interest' is anything that impedes or might be perceived to impeded, an individual's or bank's ability to act impartially or in the best interests of a client.

3.1 Types of Conflicts

The main conflicts that Employees must be aware of relate to those that might arise between:

- The Bank and Client(s);
- Employee¹ and the Bank;
- Employee and Client; and
- Client and Client.

It is important to note that conflicts may arise from the Bank or its employees interactions with other group entities.

3.2 Regulatory Requirements

Banks are required to have appropriate controls in place to **identify**, and to **prevent** or **manage** conflicts of interest within the activities it conducts.

When considering conflicts of interest, the Bank will assess whether it or an employee:

- is likely to make a **financial gain (or avoid a loss)** at the expense of a client;
- has an **interest in the outcome** of a service provided to the client or a transaction carried out on their behalf, which is distinct from the client's interest;
- has a **financial (or non-financial) incentive** to favour the interest of another client or group of clients over the interests of the client in question;
- carries on the **same activity** or business as the client; or
- receives or is likely to **receive from a person other than the client an inducement** related to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for this service.

3.3 Conflicts Management Framework

The Bank maintains a robust conflicts management framework comprised of complimentary policies (including global, regional and local policies such as Personal Account Trading and Gifts and Entertainment), supplemented by annual training and recorded in standardized logs and registers used by all of the Bank's business units.

The Bank's business units are required to manage their conflicts on an ongoing basis however, consideration to conflicts of interest assessments, prevention and management will be reviewed more formally in the following scenarios (non-exhaustive list):

- changes to the strategy;
- changes to the business model/ distribution model/ operating model;
- organisational/structural changes;
- personnel changes;
- proposed new products;
- proposed new services; and
- proposed new client types.

¹ All employees of CACEIS, regardless of the number of hours worked and including executive officers.

CONFLICT OF INTEREST REGISTER

The Bank maintains and updates regularly a Conflict of Interest Register (the “Register”) where all current and potential Conflicts of Interests will be recorded. The Register lists the type and the nature of the Conflict of Interest, a description of the Conflicts of Interest, the entities concerned and the means to limit/mitigate or suppress the identified risk.

The Compliance function of the Bank is responsible for timely reporting to executive management and to the Boards of Directors and/or the Audit and Compliance Committee on the Register.

DISCLOSURE OF CONFLICTS

The Bank will only seek to conduct business with a client when a conflict of interest can be appropriately prevented or managed. Where applicable, the exception to this is with respect to the Trustee & Depositary business unit which must disclose potential conflicts of interest to the client where the disclosure will be included in the fund (for which it is acting as Trustee & Depositary) prospectus.

The Bank will be deemed to have prevented or managed its potential conflicts of interest when it can demonstrate that it has taken all appropriate steps to prevent conflicts of interest from adversely affecting the interests of its clients

Where these steps do not ensure that risk of damage to the client’s interest is prevented, the Bank will clearly disclose to the client, before undertaking business for the client, the general nature or sources of conflicts of interest, or both; and the steps taken to mitigate those risks.

In line with current regulatory requirements, the disclosure will:
be made in a durable medium²;

include a specific description of the Conflict that arises in the provision of investment and/or ancillary services taking into account the nature of the client to whom the disclosure is being made. The description shall:

explain the general nature and sources of the Conflict, as well as the risks to the client that arise as a result of the Conflict and the steps undertaken to mitigate these risks; and

be in sufficient detail to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the Conflict arises; and

state that the organizational arrangements established by the Bank to prevent or manage that conflict (and where appropriate, the Bank are to clearly state that these arrangements are not sufficient to ensure, with reasonable confidence, that the risk of damage to the interest of the client will be prevented);

The Bank treat the disclosure of Conflicts as a measure of last resort to be used only where the internal organizational and administrative arrangements established by the Bank to deal with or manage its Conflicts are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented.

3.4 Misuse of Client Information

In the course of their everyday work, officers, directors and employees may learn of confidential (including inside) or proprietary information pertaining to the business of the Bank or its clients.

Pursuant to the Bank's policy and the applicable rules, no Officer, Director, or Employee may misuse such information. This policy reflects not only the Principles stated in the Bank's Code of Conduct ("the Code of Conduct"), but other relevant rules and guidance.

As a condition of beginning and continuing employment, employees of the Bank are required to complete a declaration pursuant to their adherence of the Code of Conduct and all other relevant policies and procedures.

4 POLICY REVIEW SCHEDULE

The Bank's Conflicts of Interest Policy is reviewed every 2 years or more frequently as may be necessary depending on eventual legislative developments.

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