

KBI Global Investors **Conflicts of Interest Policy**

Overview

Set out below is KBI Global Investors Conflicts of Interest policy (the “Policy”), which applies to both KBI Global Investors Ltd (“KBIGILTD”) and KBI Global Investors (North America) Ltd (“KBIGI (North America)”), collectively referred to as “KBI Global Investors” for the purposes of this policy. Both KBIGILTD & KBIGI (North America) are authorised by the Central Bank of Ireland and are involved in the provision of investment management services to institutional investors.

The Applicable Regulations are:

Regulation 33 (1) b, Regulation 39, Regulation 74, Regulation 75 and Regulation 78 of S.I. No. 60 of 2007 entitled European Communities (Markets in Financial Instruments) Regulations 2007 (“MiFID Regulations”).

1. Introduction

As detailed under Regulation 33 1 (b), KBI Global Investors is required to “*maintain and operate effective organisational and administrative arrangements in its business with a view to taking all reasonable steps designed to prevent conflicts of interest, as identified under Regulations 74 and 75, from adversely affecting the interests of clients.*”

In addition it is also obliged to ensure that it has effective systems, controls and procedures in place to manage such conflicts of interest and where such conflicts cannot be mitigated that the relevant disclosures are made.

2. General Policy

All employees of KBI Global Investors have an obligation to comply with this Policy, so as to avoid all potential conflicts of interest that may arise in their day-to-day responsibilities and to ensure that they act in the best interests of KBI Global Investors’ clients at all times.

In all instances of actual or potential conflicts of interest, KBI Global Investors will abide by the principles of treating its clients fairly, and dealing honestly and professionally with all its clients.

3. Conflicts of Interests

When providing investment services to clients KBI Global Investors must act honestly, fairly and professionally in accordance with the best interests of its clients and must fully comply with the principles as set out under the MiFID Regulations. There may be instances in which a conflict of interest may arise during the course of providing services to clients.

A conflict of interest under the MiFID Regulations is a conflict that arises when KBI Global Investors, in the course of providing services to its clients:

- may benefit (or another client of KBI Global Investors may benefit) to the detriment of another client
- carries on the same business as the client
- if the firm receives an inducement in relation to a service provided to a client other than the standard commission or fee for that service

KBI Global Investors takes all reasonable steps to prevent conflicts of interest from damaging client's interests and to enhance client confidence.

In the event that KBI Global Investors, its directors, employees, officers and shareholders are in the future, involved in other financial investment and professional activities which may on occasion cause conflicts of interest with the management of client assets, KBI Global Investors shall ensure that the performance of its duties will not be impaired by any such involvement, and that any conflicts, which may arise, shall be resolved fairly.

4. Governance

The Board of Directors of KBI Global Investors shall approve this Conflicts of Interest policy and shall review the Conflicts of Interest Log annually.

The Executive Committee ("ExCo") of KBI Global Investors is responsible for the implementation of appropriate organisational and administrative arrangements to ensure that potential conflicts are identified and managed. Exco shall review the Conflicts of Interest Log throughout the year and decide whether the controls in place to mitigate a potential conflict of interest are sufficient to manage the conflict. Exco has the right to refer the decision making on exceptional items to the Board of Directors.

Compliance & Risk are responsible for the maintenance of the Conflicts of Interest Log and may make recommendations to Exco as regard the controls in place to mitigate risks.

5. Organisational Arrangements

KBI Global Investors maintains effective organisational and administrative arrangements to ensure that potential conflicts of interest that may arise across the business are identified, assessed and managed in a timely manner.

KBI Global Investors has a Code of Conduct which sets out the processes in place for meeting its legal, regulatory and ethical responsibilities. The Code of Conduct specifies the procedures to be followed and the measures to be adopted to ensure KBI Global Investors' employees act with integrity in all business dealings.

KBI Global Investors has segregated certain functions to ensure that conflicts of interest are minimised, such as the strict segregation of duties and separation of function between Asset Management and Middle Office. KBI Global Investors has outsourced its back office services to a third party which reinforces segregation of duties.

The KBI Global Investors Remuneration policy is aligned with MiFID remuneration principles which seek to avoid excessive risk-taking.

With a view to guaranteeing its independence, the Compliance & Risk Unit reports directly to the Chief Executive Officer ("CEO") of KBI Global Investors. The Head of Compliance & Risk is a member of the Board of Directors and has direct access to the Chairman. The Head of Compliance & Risk shall not be dismissed without approval of the Board of Directors. The remuneration for Head of Compliance & Risk is determined by the Remuneration Committee.

With a view to guaranteeing its independence, Internal Audit reports directly to the Chair of the Audit Committee. Internal Audit is outsourced to an external service provider.

KBI Global Investors will also review and amend as appropriate its organisational and/ or administrative arrangements if necessary to manage conflicts of interest.

6. Identification Procedures

KBI Global Investors takes all reasonable steps to identify both existing and potential conflicts of interest

- (a) Between KBI Global Investors and/or its employees and its clients
- (b) Between one client/group of clients and another client/group of clients and
- (c) As a result of the structure and business activities of KBI Global Investors or its relationship with its affiliated companies
- (d) Within KBI Global Investors
- (e) Between KBI Global Investors and any entities which control KBI Global Investors and/or which are under the control of KBI Global Investors

KBI Global Investors seeks to identify circumstances which might give rise to a conflict of interest through periodic reviews of business activities, relationships with vendors and brokers, and product governance.

KBI Global Investors will provide training to staff on potential Conflicts of Interest and the relevant procedures in place to identify and mitigate the conflicts. KBI Global Investors also requires staff to make certain declarations which will help the firm identify potential conflicts.

7. Conflicts of Interest Log

Compliance & Risk are responsible for the maintenance of the Conflicts of Interest Log and Exco are responsible for reviewing and approving it. The Log is updated on an ongoing basis as potential conflicts of interest are identified.

The Log is divided into the following sections:

External Directorships	External directorships of all staff who carry out Pre-Approved Control Functions and Control Functions
Personal Connections	Personal connections of staff members with a broker or other key service provider
Trading	Describes the processes in place for IPOs, Trade Allocation, Broker Research, Insider Information, Proxy Voting and Personal Account Dealing of staff members
Conflicts Between Clients	Conflicts between one client/group of clients and another client/group of clients
Internal Conflicts	Any potential reporting conflicts such as reporting lines for internal audit and compliance, remuneration of employees
Product Governance	Review of new and existing strategies
Intragroup Relationships	Commercial relationships with group companies
Inducements	Describes the processes in place for Gifts and Benefits and Other Inducements
Board of Directors	Logs any potential conflicts of interest on the Board of Directors of KBIGILTD or KBIGI (North America)

The Log shall document all identified potential conflicts of interest and determine if the event represents a real potential conflict for KBI Global Investors. In such cases, the controls to mitigate the conflict are documented and assessed. If the arrangements are insufficient to ensure that risks to clients will be prevented, KBI Global Investors shall clearly disclose to its clients the nature and/ or source of such conflict of interest and the extent to which it has/hasn't been able to mitigate it. KBI Global Investors will disclose such conflicts to existing clients as soon as is practical and to potential clients before the business relationship commences. KBI Global Investors will make the disclosures via an appropriate, durable medium and in appropriate detail.