

POLICY FOR MANAGING CONFLICTS OF INTERESTS

In accordance with the Directive, the present section provides you with information on the Degroof Petercam Asset Management S.A.'s policy (hereinafter "DPAM" and "Policy") on managing conflicts of interests. Additional information can be obtained from DPAM upon request.

Conflicts of interests

DPAM offers its clients a full and integrated range of services, such as services provided to investment funds (collective asset management and distribution) and investment services (portfolio management and investment advice) provided to clients with an institutional background.

Furthermore, DPAM, like other subsidiaries of BDPB, is a part of group Degroof Petercam (hereinafter "Degroof Petercam").

The possibility of conflicts of interest is inherent in the fact that the different entities within Degroof Petercam develop, in parallel, concurrent services directed towards a variety of clients having at times diverging interests.

Therefore, potential conflicts of interest may arise, such as:

- Between the different clients of DPAM or between a client of DPAM and a client of another entity of Degroof Petercam;

- Between DPAM (its representatives, managers or other group companies) and its clients;
- Between DPAM and other entities of Degroof Petercam.

Examples of potential conflicts of interest

For example, Degroof Petercam may find itself in the situation of granting loans to or advising companies while at the same time investing, for the account of its private asset management clients, in financial instruments (shares, bonds, etc.) issued by the same companies.

In certain cases, DPAM could also advise its clients to invest in financial instruments issued by companies in which BDPB has an interest, inter alia because these companies are clients of BDPB or, in the case of collective investment of funds, because the assets of the latter are managed by DPAM or by other companies in the Group.

BDPB's sell side equity research department could also, in certain cases and where certain conditions are met, publish recommendations concerning companies that are being advised by another company that is part of Degroof Petercam, for example by DPAM in the context of investment services.

The development in parallel of such activities in favour of clients having at times diverging interests requires specific measures to be taken to prevent and, where applicable, manage potential conflicts of interest in a manner that respects the interests of the parties in question equitably.

Principal measures for preventing and, where applicable, managing conflicts of interests

Both Degroof Petercam's group policy on conflicts of interest and DPAM's conflict of interest management policy are based, in general, on a separation of any activities that could potentially generate mutual conflicts of interest.

To this end the activities of Degroof Petercam are carried out in different departments and/or in legally distinct entities.

This departmentalisation, or use of separate subsidiaries, can be expressed in particular by the physical separation (different premises) of the persons exercising the activities in question, as well as strict rules governing the confidentiality, transmission and use of information between and within departments or group entities.

The management of each department (or distinct subsidiary) lies with a member of the management team or, in certain cases, with a separate decision-making committee, allowing for autonomous decision-making.

Where activities undertaken within a particular department can potentially generate mutual conflicts of interest, specific measures can also be introduced within the department in order to fence off specific activities or transactions.

Specific measures are also taken to ensure that DPAM's representatives (managers, employees, delegated agents) exercise their activities in the interest of clients. These representatives receive regular and specific training in business ethics, in particular upon entering DPAM.

Specific limits are imposed on transactions in financial instruments for the account of representatives of DPAM and their immediate families. Also, certain operations that can potentially jeopardise the independence of the DPAM's representatives in exercising their function are forbidden (for example, receiving benefits from third parties).
