

Conflicts of Interest Policy

1. Introduction

Duff and Phelps (Luxembourg) Management Company Sarl (Luxembourg) (further as “**DPLMC**”), is a management company (further as “**ManCo**”) pursuant to Chapter 15 of the Law dated 17 December 2010 relating to undertakings for collective investments and is also an alternative investment fund manager (further as “**AIFM**”) pursuant to Chapter 2 of the Law dated 12 July 2013 relating to AIFMs. DPLMC is required to establish, implement and maintain an effective policy on conflicts of interest that is appropriate to DPLMC’s size, organization, nature, scale, and the complexity of its business, the definition of the conflicts of interest for the purposes of this Policy is as follows:

“a set of circumstances that creates a risk that an individual’s or the organization’s professional judgement or actions regarding a primary interest, will be unduly influenced by a secondary interest”.

In the context of identifying and managing conflicts of interests, there are various Luxembourg legal and regulatory requirements which have to be adhered to. This Policy outlines how DPLMC complies with these regulatory requirements:

- Law of 12 of July 2013 on Alternative Investment Fund Managers (“AIFM”).
- Law of December 17th, 2010 on “undertakings for collective investment “UCI”, especially in the context of requirements for management companies.
- Luxembourg law on Market Abuse dated May 9, 2006 (implementing the European Market Abuse Directive 2003/6/CE).
- CSSF Circular 18/698 on the Authorization and organization of Luxembourg investment fund managers.
- CSSF Circular 06/257 on Market Abuse.
- CSSF Circular 14/585 on Remuneration Policies and Practices.

In addition to the prevailing laws and regulations, DPLMC has also adopted the ALFI Code of Conduct, which contains best practice recommendations for the governance of Luxembourg investment funds and management companies.

2. Objective

DPLMC recognizes its responsibilities under the laws and regulations mentioned under section 1 of this Policy and is committed to identifying and managing actual or potential conflicts of interest appropriately, to ensure that its Clients and other related parties are treated fairly and protected from any damage due to conflicts of interest.

This Policy specifies the processes and procedures DPLMC has in place to identify, prevent, manage and disclose if needed any potential conflict of interest.

Where DPLMC acts as AIFM to an alternative investment fund (hereafter “AIF”) or as the management company performing management functions on behalf of certain undertakings for collective investment in transferable securities (hereafter “UCITS”), the obligation to manage conflicts of interest is extended to managing conflicts that may adversely affect the interest of the AIFs and UCITS. DPLM must ensure that all AIFs/UCITS they managed are treated fairly. This Policy sets out the company’s overall approach in identifying and managing conflicts of interest s follows:

- Identify circumstances or potential circumstances that may give rise to a conflict of interest, including those entailing a material risk of financial damage to the interests of one or more Clients or Investors.
- Maintain procedures and measures to be adopted and followed to manage such actual or potential conflicts of interest.
- Provide a framework, and escalation rules, for dealing with conflicts of interest internally and allocate responsibilities; and
- Implement obligations and requirements to record and disclose conflicts of interest.

3. Responsibilities, Relevant Persons

Relevant Persons in the context of this Policy are:

- Employees, Senior Staff, Conducting Officers and Board of Directors of DPLMC
- Managers or agents of administered funds, based on their interest(s) held, may be in a situation of conflict.
- Any other individual whose services are available under the supervision of the company, and

- Any other individual who is directly involved in the provision of services to the company, on the basis of an outsourcing agreement, having as its objective the provision of services and activities provided to the company or its administered Funds.

It is the responsibility of the DPLMC Management Committee and the Board of DPLMC to take reasonable steps to ensure compliance with this Policy and to provide the human and technical resources as necessary for its implementation.

It is the responsibility of all staff and relevant persons to read and be familiar with this Policy and to adhere to it.

The responsibility for assessing the compliance of relevant persons with this conflicts of interest policy has been assigned to the Compliance Officer of DPLMC, under supervision of the Board of Directors of DPLMC.

Since DPLMC is part of the wider D&P Group, this Policy shall also consider any circumstances of which the Manco is or should be aware which may cause a conflict of interest as a result of business activities of other members of the Group. This is achieved through a Group level Conflict of Interest Check process prior to taking on new business.

4. Guiding principles

The following guiding principles apply to the company's approach in identifying and managing conflicts of interest:

- DPLMC is committed to treating its clients fairly and with integrity.
- DPLMC is committed to complying with all applicable legal, regulatory requirements relating to conflicts of interest.
- DPLMC is committed to maintaining and operating effective organizational and administrative arrangements to identify and manage conflicts of interest, including those possibly arising as a result of the structure and business activities conducted together with other service providers.
- DPLMC recognizes the importance of a culture of integrity to manage conflicts of interest. As such all employees have a duty to be mindful of conflicts of interest and to take all reasonable steps to assist in their identification and proper management. This includes

prompt and expedient escalation of any potential conflicts as they arise to the relevant management functions and/or to Compliance Function.

- DPLMC is committed to taking all reasonable steps to ensure proper disclosure of residual conflicts of interest (if any) to the client.

5. Scope, Types of Conflicts, Identification and Management

For the purposes of identifying conflicts of interest that may arise for the company, for any 'person' (as defined in section 3 above), directly or indirectly linked to the company, the following criteria must be considered as to whether:

- the company / person has an interest in the outcome of the products / services provided to the client, or on his behalf, which is distinct from the client's interest.
- the company / person is likely to make a financial gain, or avoid financial loss, at the expense of the client or one of its investors.
- the company / person has an incentive, for financial or other reasons, to favor the interest of another client or group of clients over the interests of the client or one of its investors.
- the company / person carries out the same business as the client or one of its investors.
- the company / person receives or may receive from a person other than the investor, an incentive for the services provided in the form of money, goods or services outside of contractual agreements; and
- the company's employee has an incentive to favor the provision of a service to a client or one of its investors or group of clients or one of their investors over the interests of the company / person.

This is a non-exhaustive list that should be taken into account when considering the identification of a potential conflict of interest.

In general, there are four main types of conflicts of interest that have been identified by DPLMC:

- those between clients and DPLMC, where their respective interests in a particular outcome may be different.
- those between the personal interests of staff of DPLMC and the interests of DPLMC, or its clients, where those interests may be different.
- those between clients with competing interests; and
- those between third party service providers and clients.

It is the responsibility of all employees to identify and report such potential conflicts of interests. It is the responsibility of the Compliance Officer to regularly review, within the course of the Compliance Monitoring Plan, the company's processes, potential conflicts of interest associated with them and the procedures in place to mitigate them. To enable the Compliance Officer to perform his/her monitoring duties properly, it is an obligation that every Conducting Officer fills out and keeps up to date a Conflict of Interest Register (see Annex I) for each UCITS/ AIF client/ product/ investment fund that he/ she is responsible for.

To guarantee a consistent approach, the Conflict of Interest Register should be updated when initially performing this exercise for a new client/ product/ investment fund. The Compliance Officer will provide advice and assistance whenever as required. For any existing client/ product/ investment fund, the Register should be regularly reviewed by the responsible Conducting Officer on at least a quarterly basis and also whenever major changes occur which need to be reflected immediately. The register is submitted to the BoD of DPLMC on an annual basis.

When a conflict of interest is identified, and it cannot be dealt with or addressed within the normal procedures as stated above, then the formal escalation procedure applies, and it must be reported immediately to the Compliance Officer. The Compliance Officer will record the conflict of interest in the Register and consider possible solutions.

If a conflict of interest cannot be avoided by other measures, the company will disclose the nature and the source of the remaining conflict of interest to the client in form of a written communication.

6. Education and Training

Appropriate training and education is delivered to employees to educate and reinforce the company's culture of integrity and requirements regarding conflicts of interest. Accordingly:

- all employees have permanent and easy access to the company's Code of Conduct and policies & procedures; and
- each employee receives, on commencing their employment a copy of the Code of Conduct. He/she signs that they have read and understood these rules of conduct and commit in writing to respect them.
- There is an annual attestation for all employees of company policies and procedures.

7. Supervision and levels of independence

The company implements:

- levels of independence/ supervision for persons engaged in activities entailing a conflict of interest, including a full separation of portfolio and risk management (Chinese Walls) according to requirements of article 42 of the Delegated Regulation of the EU Commission, supplementing Directive 2011/61/EU (see article 15).
- the at-arms-length principle. In particular preventative measures to limit any person from exercising undue influence, that may be deemed as inappropriate, on the way any relevant person may carry out a service or business.
- preventative measures to limit the involvement of a relevant person in a number of different and separate services or businesses, where this involvement may impair the proper management of conflicts of interest.

8. Other applicable Policies for identifying conflict of interest

The company's organizational structures, its systems and the segregation of activities provided within the company, as well as its policy for managing conflicts of interest are designed to ensure the provision of services on a fully impartial basis.

In this context the following other policies apply:

- Code of Conduct – Including staff regulations and personal transactions (Section XX)
- Remuneration Policy (Section XX)
- Gift and Hospitality – Policy (Section XX)
- Treating Customers Fairly Policy – (Section XX)
- Voting Rights Policy – (Section XXX)

Review frequency: Annual/ Compliance Officer & Board of Directors of the ManCo.