

Conflict of Interest Policy

1. Introduction

1.1. Background

AFS Group B.V. and its subsidiaries (hereinafter "AFS") provide investment services to their clients. When providing these services, situations may arise in which there is a conflict of interest between AFS, the asset managers and its clients and between the asset managers and/or clients of AFS.

The purpose of this Conflicts of Interest policy is to prevent clients from suffering a loss as a result of conflicts of interest. The Conflicts of Interest policy enables AFS to take measures to identify, prevent, manage and control (potential) conflicts of interest. Preventing and managing conflicts of interest is a part of the sound business practice of AFS.

The Conflicts of Interest policy is proportionate to the size of AFS and to the nature, scale and complexity of its business.

1.2. Scope of the policy

This Conflicts of Interest policy applies to all employees and persons working under the responsibility of AFS. The Conflicts of Interest policy also applies to third parties engaged by AFS.

1.3. Preparation, application and review

The Compliance department is responsible for the preparation, application and review of the Conflicts of Interest policy. The Management Board approves the Conflicts of Interest policy. The Compliance department conducts an annual review of the Conflicts of Interest policy to consider whether any adjustments are necessary.

2. Conflicts of interest

2.1. What is a conflict of interest?

A conflict of interest occurs when two (or more) parties have opposed interests and an action in favour of one is to the detriment of the other. A conflict of interest can arise in many different ways. A conflict of interest can arise between:

- AFS and a client;
- AFS and an asset manager;
- AFS and its employees;
- AFS and its management;
- AFS entities between themselves;
- AFS and any of its engaged third parties or suppliers;
- Clients of AFS themselves.

This Conflicts of Interest policy is aimed at identifying at least

the conflicts of interest set out below.

A conflict of interest occurs when AFS (or any person connected to AFS):

- can gain financial benefit or avoid financial loss at the expense of an asset manager and/or client;
- has an interest in the outcome of a service provided to an asset manager and/or client that is distinct from the clients interest;
- has a financial or other incentive to favour the interest of one asset manager, client or group of asset managers or clients over the interest of another asset manager or client or a group of asset managers or clients;
- carries on the same business as an asset manager and/or client;
- receives a commission from another person than the asset manager and/or client that is different from a regular commission.

2.2. Procedures and measures

AFS has conducted a risk analysis of conflicts of interest and has implemented measures and procedures to identify, prevent, manage and monitor conflicts of interest.

AFS has taken several measures to prevent certain conflicts of interest from occurring in advance:

- AFS treats every account holder equally;
- AFS does not have its own investment products;
- AFS does not provide investment advice to non-professional investors;
- AFS executes its orders in accordance with its Order Execution Policy (i.e. on a best execution basis);
- AFS does not receive any compensation from services rendered to its clients;
- AFS requires its management and employees to act honestly and professional and in the interest of its clients;
- AFS has adequate Chinese walls between the department who executes the function and the operational department and the control functions;
- AFS requires its personnel to comply with its insider trading regulations.

2.3. Recording and disclosing of conflicts of interest

It is the responsibility of the Management Board, in cooperation with the Compliance department, to have and maintain an overview of all potential conflicts of interest within AFS.

Before a new product or service is launched or outsourcing is done, potential conflict of interest is identified, analysed and mitigated. Potential conflict of interest and the mitigation procedures will be discussed in the Risk Committee of AFS Group B.V.

If an AFS employee identifies a (potential) conflict of interest that could potentially damage the interests of one or more clients or one or more asset managers, this employee

immediately informs the Compliance department. The Compliance department immediately records the information relating to the services performed by (or on behalf of) AFS where the conflict of interest has arisen or may arise. The Compliance department puts this item on the agenda for the next meeting of the Risk Committee which reports to the Management Board.

The Risk Committee discusses the analysis of the conflict of interest in the meeting. If the (potential) conflict of interest cannot be managed by taking appropriate measures and there is a chance that the interest(s) of one or more asset managers and/or clients will be harmed, the Management Board considers not providing the service to the asset manager or client concerned or to disclose the unmanageable conflict of interest to the asset manager or client. The Risk Committee reports to the Management Board.

If the measures taken by AFS to prevent conflicts of interest from harming the interests of clients are not sufficient to assume with reasonable certainty that these measures will prevent the risks of harming the interests of clients, AFS discloses the conflict of interest to the clients. Disclosure of the conflict of interest is a last resort. AFS only does so when there are insufficient organizational or administrative solutions to prevent the conflict of interest.

The disclosure shall include a specific written description of the conflict, taking into account the nature of the asset manager and/or client. The disclosure shall include a description of the source of the conflict, the risk associated with the conflict of interest and the steps taken to mitigate the risk. The disclosure includes sufficient details to ensure that the client can make an informed decision regarding the services in relation to which conflict of interest arises.

AFS can always decide to discontinue a service if a conflict of interest is unacceptable.

3. Awareness

Periodically, AFS employees will receive training and education regarding conflicts of interest. AFS also actively informs its employees about changes to the Conflicts of Interest policy.

4. Publication

AFS publishes a summary of the Conflicts of Interest policy on its website.