

Conflicts of Interest Policy

August 2016

INTRODUCTION

We, Pictet Asset Management Ltd (PAM Ltd), are required under FCA rules to:

- a) take all reasonable steps to identify conflicts of interest between:
 - (i) us (including our staff or any person directly, or indirectly linked to us by control) and a client, or
 - (ii) one client and another
- b) maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients.
- c) establish, implement and maintain an effective written conflicts of interest policy (“the Conflicts of Interest Policy”) which identifies those conflicts of interest which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients and the procedures which are followed to manage such conflicts.

We are also registered with the SEC which has similar requirements for the identification and management of conflicts of interest. This includes the requirement to make full and fair disclosure to clients of all material facts about the advisory relationship, particularly regarding conflicts of interest.

This document summarises the Conflicts of Interest Policy that has been put into place and has been operative since March 2014.



IDENTIFYING & MANAGING CONFLICTS

For the purposes of identifying those conflicts which are set out in the Conflicts of Interest Policy, we have taken into account whether we or a member of staff, amongst other things:

- (a) is likely to make a financial gain or avoid a financial loss at the expense of the client;
- (b) has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- (c) has a financial or other incentive to favour the interest of another client or group of clients over the interest of the client.

We manage those conflicts of interest which we have identified by various organisational methods which include:

- (a) putting in place written policies and procedures in relation to the management of certain conflicts including, amongst others, a Code of Ethics policy and an Inducement policy; These policies and procedures are subject to PAM Ltd's normal review and monitoring processes
- (b) providing training to our staff on certain aspects of conflicts management;
- (c) appropriate segregation of duties and the implementation of information barriers, including a Chinese wall within PAM Ltd, especially between long only accounts and long/ short accounts, and between PAM Ltd and other members of the Pictet group; and
- (d) separate supervision and reporting lines in relation to those business lines whose interests may conflict.

We consider these measures appropriate to manage the conflicts arising to avoid the material risk of damage to client interests.



DISCLOSURE

The FCA rules also require that where a firm's arrangements to manage conflicts of interest are not sufficient to ensure, with reasonable confidence that the material risks of damage to the interests of a client will be prevented, a firm must clearly disclose the general nature and/or sources of the conflict to the client.

In accordance with general fiduciary and regulatory law, we disclose that the following conflicts of interest may arise:

- > we or an associate (which is, broadly, an entity within our group) may undertake regulated activities for other clients;
- > a director or employee of ours or of an associate may be a director of, hold or deal in securities of, or is otherwise interested in any company whose securities are held or dealt in on your behalf;
- > a transaction is effected in securities issued by an associate or the client of an associate;
- > a transaction is effected in securities in respect of which we or an associate may benefit from a commission, fee, mark-up or mark-down payable otherwise than by you, and/or we or an associate may also be remunerated by the counterparty to any such transaction;
- > we deal on your behalf with, or in the securities of, an associate;
- > we may act as agent for you in relation to transactions in which we are also acting as agent for the account of other customers and/or associates;
- > a transaction is effected in units or shares of in-house funds or of any company of which we or an associate is the manager, operator, banker, adviser, custodian or trustee;
- > we may effect transactions involving placings and/or new issues with an associate which may be acting as principal or receiving agent's commission;
- > a transaction is effected in securities of a company for which we or an associate has underwritten, or managed or arranged an issue or offer for sale, within the previous 12 months;
- > a transaction is effected in securities in respect of which we or an associate, or a director or employee of ours or an associate, is contemporaneously trading or has traded on its own account or has either a long or short position.



If you require further information please contact us.

Pictet Asset Management
Moor House
120 London wall
London
EC2Y 5ET

Tel: 020 7847 5000