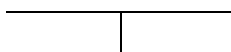


Pictet Asset Management Limited Conflicts of Interest Disclosure Statement

January 2018





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1. Introduction

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

- A. take all appropriate steps to identify conflicts of interest between:
 - a. us (including our staff or any person directly, or indirectly linked to us by control) and a client, or
 - b. one client and another
- B. maintain and operate effective organisational and administrative arrangements with a view to taking all appropriate 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 that cannot be prevented.

We are also registered with the SEC and other regulators, which have 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 PAM Ltd Conflicts of Interest Policy and provides key information on how conflicts of interest are identified, prevented or managed and monitored within PAM Ltd.

2. Identifying, Preventing or 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:

1. 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 Inducements Policy; These policies and procedures are subject to PAM Ltd’s regular independent review and monitoring processes;
2. providing training to our staff on certain aspects of conflicts management;
3. appropriate segregation of duties and the implementation of information barriers, including a Chinese wall within PAM Ltd, especially between long only accounts and total return accounts, and between PAM Ltd and other members of the Pictet group; and



4. separate supervision and reporting lines in relation to those business lines whose interests may conflict as well as reporting and challenge at control groups and other governance forums.

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

3. Disclosure

The FCA rules also require that where a firm's organisational arrangements to prevent or 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 (in a durable medium) the specific description of the nature and/or sources of the conflict to the client as well as the steps the firm will take to mitigate the risks prior to the provision of the investment and /or ancillary service.

The firm is also required to explain, in sufficient detail, the risks to the client that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks to enable the client to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arise.

Where PAM Ltd considers that there are no other means of managing the conflict, or where the measures in place do not sufficiently mitigate the conflict, the conflict may be disclosed on our website or to those affected via any other appropriate media to enable them to make an informed decision. As at the date of this statement, PAM Ltd does not have any conflicts where the measures in place do not sufficiently mitigate the conflict and the risk of harm to the client.

Where we consider that the conflict of interest cannot be managed in any other way (including by disclosure), we may decline to act for the client.

4. Conflicts of Interest

In accordance with general fiduciary and regulatory law, we disclose (as set out below) a summary of the principal conflicts that exist within PAM Ltd, and the steps taken to mitigate them.

Personal Transactions

All employees and connected parties are required to adhere to PAM's Code of Ethics. This is in place to ensure that any such dealing does not involve conflicts of interest or misuse of insider, proprietary or client confidential information, and that clients are not disadvantaged as a result of these dealings. All employees of PAM Ltd must report and pre-clear their personal transactions.

Gifts and Hospitality

PAM Ltd has a policy and procedures in place to ensure that gifts and hospitality given or received are justifiable in the circumstances and unlikely to influence the professional judgement of persons concerned. A central record of gifts and hospitality is maintained by the Compliance Department.

Inducements

As an investment management company, PAM Ltd is dedicated to providing honest, fair and professional investment services and /or ancillary services to clients. For this reason PAM Ltd operates on the basic premise that no inducements (monetary and non-monetary benefits) are received in relation to the investment service and /or ancillary service, unless these qualify as a minor non-monetary benefit (ie: which are capable of enhancing the quality of service provided to a client and are of a scale and nature



that they could not be judged to impair compliance with PAM Ltd's duty to act in the best interest of the client.)

PAM Ltd receives research from brokers and independent research providers for managing discretionary portfolios. In most cases, PAM Ltd will pay for this research out of its own funds (through P&L). In specific cases and as long as PAM Ltd complies with relevant regulations, PAM can decide to pay for research through clients' money via a separate Research Payment Account.

Outside Business Interests

No PAM Ltd employee may engage in any additional outside business activities without prior written approval from Compliance and the relevant Executive Committee member. In certain circumstances, consent may be withheld or conditions may be imposed. PAM Ltd employees must not accept directorships or personal fiduciary appointments without obtaining written approval from Compliance. Compliance maintains a register of all outside business interests.

Order Execution, Aggregation and Allocation

PAM Ltd has a Best Execution Policy which stipulates that when executing orders, we will take all sufficient steps to ensure the best possible result is achieved for clients on a consistent basis.

PAM Ltd may combine a transaction for clients with orders of other clients. Where this occurs, it is purely to assist in the execution of the order. The effect of this aggregation may occasionally work to the disadvantage of some clients.

If an application is made for a new bond issue or equity IPO that is subsequently scaled back, it will be applied to clients on a pro-rata basis subject to exceptions where this is not practical (eg: a very small amount of the application is successful and subject to minimum allocation requirements). The PAM Ltd Trade Allocation Policy is in place to ensure all clients are treated fairly and the Head Traders and Compliance monitor the effectiveness of its operation on a regular basis.

Allocation of Investment Opportunities

For those PAM Ltd investment teams engaged in side-by-side management the allocation of investment opportunities raise a potential conflict of interest because an investment manager could have an incentive to allocate the best investment opportunities to certain funds, for example those funds which pay a performance based fee at the expense of those funds that pay a fixed management fee. The PAM Ltd Remuneration Policy ensures that no undue pressure or incentive is placed or provided to an investment manager to favour one fund over another.

Dealing with other Pictet Group Entities

PAM Ltd may execute some trades through its affiliates. These trades are subject to the requirements of PAM Ltd Best Execution Policy to ensure best execution for clients.

Remuneration

PAM Ltd has a Remuneration Policy in place that ensures that its employees are not only remunerated based on quantitative commercial criteria, but also on criteria that take into account compliance with regulations, the fair treatment of clients and the quality of services provided to clients.



5. Monitoring

The PAM Ltd Compliance Department maintains a conflicts of interest register, which is reviewed annually, or upon any material change. The Compliance team undertake periodic monitoring of disclosed conflicts as part of the annual Compliance Monitoring programme.

6. Further Information

If you would like further information on the above, please contact your usual contact or Compliance.