Principles concerning the handling of conflicts of interest at DJE Kapital AG

Under German legislation, we are obliged to take measures to handle potential conflicts of interest that may affect investment services, so as to avoid any resulting impairment of customers' interests.

An investment institution that provides customers with investment/contract broking, portfolio management, and investment consultancy services* cannot always rule out conflicts of interest. In compliance with the provisions of the Wertpapierhandelsgesetz (German Securities Trading Act), we inform you below about our extensive measures for handling conflicts of interest.

Such conflicts may arise between our institution, other companies of our Group, our management, our staff, independent intermediaries, or other persons associated with us and our customers or among our customers.

Conflicts of interest may arise, in particular:

- in investment consultancy* and asset management from our own interest in selling financial instruments, including the Group's own products;
- in giving or receiving inducements (e.g. placement commissions, trail commissions, or pecuniary advantages) to or from third parties in connection with investment services carried out on your behalf; in giving inducements to our staff and intermediaries;
- due to performance-based compensation of staff and intermediaries;
- by obtaining information that is not in the public domain (insider-information);
- from personal relationships of our staff or management or persons associated with them to other companies, especially listed companies, e.g. in the context of Supervisory Board mandates.

To prevent extraneous interests from influencing our advisory service*, order execution, asset management, or financial analyses, we and our staff have committed ourselves to high ethical standards. We expect at all times diligence and honesty, lawful and professional conduct, observance of market standards, and in particular constant observance of customers' interests. Our staff are obliged to observe these standards and this code of conduct.

Our institution has set up an independent compliance office that reports directly to the management and whose responsibility is to monitor, regularly assess and further develop the appropriateness and effectiveness of implemented measures and processes. This applies in particular to identifying, avoiding and managing conflicts of interest.

Among other things, we take the following specific measures:

- creating organisational processes to preserve customers' interests in the areas of investment consultancy* and asset management;
- complying with rules on giving and receiving inducements and their disclosure;
- creating confidentiality zones by establishing information barriers, separating responsibilities and/or spatial separations;
- keeping an insider list or watch list that helps to prevent misuse of sensitive information;
- keeping a restricted list to counter potential conflicts of interest by means of business or consultancy bans;
- disclosing to the compliance office of securities transactions of staff members who could become involved in conflicts of interest in the context of their work;
- providing ongoing training to our staff.

Compliance with the above-mentioned processes is regularly monitored by the compliance office, which carries out checks and makes decisions in accordance with the statutory provisions, reports directly to the management, and also acts independently and free from third-party instructions and interests.

*** The investment consultancy is provided generally only in fund management**

We would like to point out the following in particular:

When brokering and/or acquiring fund units and certificates, we regularly receive inducements from investmentmanagement companies, depositories, and securities underwriting firms. These include portions of loading charges or placement commissions accruing on acquisition in the form of premiums and/or discounts and any trail commissions paid to us on a recurring basis from the management fees collected by them.

In individual cases, we also receive inducements from additional performance-based compensation charged on a recurring basis to the fund assets. The basis for the calculation of such compensation may, for example, be the share price increase that exceeds a specific comparative index.

As part of our financial services, we offer you high-quality solutions; our specialist staff are on hand to assist you with your investments. This requires a considerable outlay in terms of personnel and organisation, for which we receive third-party inducements in the form of cash payments or other pecuniary advantages. We use these funds to safeguard the expansion of an efficient and high-quality infrastructure so as to maintain the standard of, and to constantly improve, our services for you.

We disclose the amount of these inducements to our customers in the contractual documentation prior to performing investment services. We will provide you with further details upon request.

We receive a consultancy fee where we act as an investment consultant* or fund manager in the case of funds and certificates. The amount of this fee is contained in the relevant prospectus.

With regard to investment consultancy*, investment/contract broking and asset management, we also make significant use of products advised on and/or managed by DJE Kapital AG and other companies in the Group; our customers should specifically benefit, therefore, from our know-how of the capital markets.

In asset and fund management, decisions concerning the purchase and sale of securities are taken within the framework of the investment guidelines contractually agreed with our customers, without obtaining their consent in each particular case. This situation may also result in, or intensify, a conflict of interest, for example, as a result of using our own products or products for which we act as an investment consultant* or fund manager. We counter the resulting risks with suitable organisational measures, including an investment selection process geared towards the customer. We also disclose to our customers the magnitude of, and the basis for calculating, the management fee, profit sharing, and accruing third-party inducements before concluding an asset management agreement.

A further potential conflict of interest in connection with asset management may arise when agreeing to performance-based compensation. The fact that disproportionate risks are incurred to achieve the best possible performance and therefore a large amount of compensation should not be ruled out here. Risk reduction is achieved in these cases, among other things, through internal monitoring of portfolio structures and the associated risks, of the investment decisions made, and by combining with fixed compensation components. Conflicts of interest may also arise as a result of the frequency of transactions decided upon by the fund manager at its own discretion.

From time to time we receive from other financial services providers in connection with our securities business non-cash benefits such as financial analyses and other information materials, training courses, participation in cultural and social events, inducements in the form of gifts, and partly technical services and equipment used to access third-party information systems. We use these payments to render high-quality services and to constantly improve them.

We pay, by individual agreement, commissions, fixed fees, and partly performance-based premiums to parties that supply us with customers or negotiate securities. Furthermore, intermediaries may also receive inducements directly from third parties, including fund companies and securities underwriting firms, in addition to any sums paid by us.

We also provide information about relevant potential conflicts of interest in accordance with the provisions of the Financial Analysis Ordinance if we prepare or publish financial analyses.

*** The investment consultancy is provided generally only in fund management**