



Lingohr & Partner

ASSET MANAGEMENT GMBH

CONFLICT OF INTEREST POLICY

April 2020

I. INTRODUCTION

Acting in the best interest of the customer is the guiding principle that shapes the business relationship between Lingohr & Partner Asset Management GmbH (hereinafter “Lingohr & Partner”) and its customers. This also means that Lingohr & Partner takes adequate precautions in order to recognize, prevent or resolve potentially arising conflicts of interest, which could be detrimental to the customers. As a financial services provider, Lingohr & Partner is legally required to take effective organizational precautions to recognize and prevent conflicts of interest. This includes identifying potential conflicts of interest, laying down policies and procedures in writing and complying with rules and regulations when dealing with potential conflicts of interest.

As part of the identification and management of conflicts of interest, Lingohr & Partner shall undertake all reasonable steps to prevent any adverse effects to the interests of its customers.

These principles serve to identify and manage potential conflicts of interest.

II. DETERMINING CONFLICTS OF INTEREST

A conflict of interest exists when in connection with the provision of investment and advisory services as laid down in the Securities Trading Act ("WpHG") – in particular the provision of financial portfolio management and advisory services, as laid down in the Capital Investment Code ("KAGB") – in particular the provision of collective asset management – conflicting interests between the customer or the investors and the investment services company or the persons assigned to this company or another customer of the investment services company could impair the provision of such services to the detriment of the customer.

When determining conflicts of interest, Lingohr & Partner must take the following into account:

- the individual interests of Lingohr & Partner, its employees and managing directors, as well as the interests of the investor or the customer;
- every other person that is directly or indirectly associated with Lingohr & Partner as a result of a controlling duty;
- the interests of the respective investor or customer and the obligation on the part of Lingohr & Partner towards the investor and the customer;
- the interests of different investors or customers.

III. CAUSES OF CONFLICTS OF INTEREST

Conflicts of interest may arise

- over the course of the investment advisory and asset management in the interest of Lingohr & Partner when selling certain financial instruments;
- upon receiving and granting inducements (i.e. portfolio commissions) from and to third parties, in connection with investment services for customers;
- when providing Lingohr & Partner, its employees or managing directors with performance-based compensation;
- through the provision of information that is not publically available;
- through excessive trading by Lingohr & Partner on a discretionary basis in a client's account largely to generate commissions;
- as a result of personal relationships with employees or managing directors.

IV: MEASURES TO PREVENT CONFLICTS OF INTEREST

Lingohr & Partner as well as its employees adhere to strict ethical standards in order to prevent to the greatest extent possible, extraneous interests from influencing the asset management business. The board of directors expects diligence, honesty, professional behavior in accordance with applicable laws, respect of market standards and, in particular, and the customer's interests. More precisely, Lingohr & Partner shall implement the following measures, among others:

- Complete disclosure to the customers regarding any portfolio commissions received from third parties in connection with the financial services performed for the customer;
- Creation of an organizational procedure to protect the customer's interests as part of the asset management, the investment advisory as well as portfolio management services (i.e. monitoring customer portfolios through compliance; monitoring employee transactions through compliance; systematic investment process as part of the portfolio management; fee arrangements independent from trading activity; ;
- Regulations regarding the acceptance and granting of inducements as well as the disclosure thereof;
- Sound remuneration policy in accordance with statutory European rules and regulations;
- Implementing procedures on handling and payment of broker research (i.e. Research Policy);
- Establishment of confidentiality areas by creating information barriers, the separation of responsibilities and/or spatial separation;
- Maintaining a Restricted List that serves to encounter conflicts of interest though certain trading bans, amongst others;
- Establishment of principles for the execution and monitoring of employee transactions;
- Regular employee training, in particular on regulatory developments;
- Implementation of Internal Audit Department;
- Guidelines on the use of internal or confidential information as well as the acceptance of external functions and mandates.

V. HANDLING OF SPECIFIC CONFLICTS OF INTEREST

Lingohr & Partner acts as an adviser/manager for certain investment companies and receives an **advisory/management fee** therefrom. This commission is paid by the investment companies out of the annual management fee, which they charge to the investor in accordance with the information in the sales prospectus. The amount of this commission varies from company to company and is dependent on the respective portfolio maintained by the custodian. The commission amounts to up to 1% of the current and regular asset value with respect to the respective investment fund. In order to prevent conflicts of interest, the investment funds for which the Lingohr & Partner acts as an adviser/manager (Lingohr funds) are not taken into consideration as part of the calculation basis for the asset manager's fees. This is done to ensure that the customer does not owe any fees in this respect, the asset manager does not receive compensation more than once and conflicts of interest are prevented. A conflict of interest only exists when the compensation of Lingohr & Partner through a Lingohr fund is higher than the compensation for the asset manager.

When purchasing certain Lingohr funds, Lingohr & Partner does not deduct any **sales charge** from the investment amount to avoid any conflict of interest.

Lingohr & Partner does not participate in **commissions** generated in a client's account as the business model allows only for asset based fees.

A further conflict of interest typical of institutional investment management may arise when agreeing on **performance-based fee arrangement**. It cannot be ruled out that the manager is not exposed to disproportionate risks in order to give the best possible performance and thus a higher fee. A risk reduction is achieved through a variety of measures, from internal monitoring of the investment decisions made to a combination of fixed compensation components.

Lingohr & Partner does not receive any other provisions, fees or other monetary payments or non-cash benefits and will not accept or receive such services in the future.

VI. DISCLOSURE

In cases where administrative and organizational measures by Lingohr & Partner cannot sufficiently reasonably ensure that the risk of a possible infringement of the interests of investment funds or the relevant investor can be excluded, executive management shall be informed of the situation without delay. Executive management shall make the necessary decisions in order to deal with such cases in the best interest of Lingohr & Partner, the investment fund and the customer. If applicable, Lingohr & Partner shall inform its customers on the general nature and source of the conflict of interest before the transaction is executed.

VII. REVIEW

Compliance with the aforementioned rules shall be regularly monitored by the Compliance Department. The Compliance Department performs reviews and acts in accordance with statutory regulations. Compliance reports directly to the Board of Directors and acts absolutely independently.

This policy shall also periodically undergo a review.

Additional details regarding the handling of conflicts of interest are made available upon request.

Erkrath, April 1, 2020

Lingohr & Partner Asset Management GmbH

Board of Directors

A handwritten signature in blue ink, consisting of several stylized, overlapping loops and lines, positioned below the text 'Board of Directors'.