

# Assenagon Guide

## Corporate Guidelines

### Inducements Policy

#### 1. Introduction

UCITS and AIFMD provisions relating to the protection of client's interests restrict management companies of UCITS and managers of Alternative Investments Funds respectively, which provide investment management and administration services to UCITS funds and AIFs from giving or receiving inducements in relation to the provision of investment services to their clients, except under permitted conditions.

An inducement is any fee, commission or non-monetary benefit paid or provided to or by Assenagon Asset Management S.A. ("Assenagon") for investment management and administration services to UCITS funds and AIFs.

Assenagon envisages to ensure that in providing services to its clients, it acts at all times in an honest, fair and professional manner, and in the best interests of the Funds and their share-/unitholders. Save where the conditions set out in this policy are met, there is a risk that the payment or receipt of an inducement may tend to influence either Assenagon or another party to the transaction to act in a manner that puts its own interests (or those of a third party) above the interests of the client. The purpose of this policy is to ensure that this does not happen.

#### 2. Conditions under which inducements may be given or received

Assenagon may not give or receive an inducement, except in the following circumstances, where the inducement:

- a) Is paid or provided to or by the Funds or a person acting on the behalf of the Funds, or
- b) is paid or provided to or by a third party where:
  - The existence, nature and amount of the inducement (or, if the amount is not known, the method by which it will be calculated) is clearly disclosed to the client before the service is provided, such that they can fully understand what they are agreeing to, and
  - The payment or receipt of the inducement is designed to enhance the quality of the relevant service given to the client and not impair compliance with Assenagon's duty to act in the best interests of the Funds, or
- c) is otherwise a proper fee which enables or is necessary for the provision on the service concerned, and which, by its nature, cannot give rise to conflict of interest with Assenagon's duty to act honestly, fairly and professionally in the best interests of the Funds.

#### 3. Sub-Investment Managers

Assenagon shall monitor that appointed Sub-Investment Managers follow the principles stated in this policy and have the required policy and instructions on inducements in place.

#### 4. Proper Inducements

- a) Details of inducements paid by the Funds directly are disclosed in the prospectus and thus permitted pursuant to point 2. a) above. Where Assenagon or any of its delegates successfully negotiates the recapture of a portion of broker/dealer commissions connected with the purchase and/or sale of securities for the Funds, the rebated commission shall be paid to the Funds.
- b) If you have invested, sold or converted funds via an intermediary, the intermediary may receive a subscription, redemption or conversion commission payment from Assenagon as appointed Management Company/AIFM or directly from the share-/unitholder. In addition, your intermediary may also receive a regular ongoing commission. Assenagon pays this out of the management fee it receives according to the prospectus in case the distribution fee is not paid directly out of the Funds. The amount of commission paid will depend on the size of your investment, the product and asset class, and the length of time you invest for. Additionally, Assenagon may provide your intermediary with other non-monetary benefits such as training, marketing literature or invitations to business related sporting or social events. Service providers may also provide Assenagon with non-monetary benefits such as training, marketing literature or invitations to business related sporting or social events. Your intermediary will tell you how much commission will be received. Alternatively, Assenagon will provide further details at your request in writing.

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c) To fall within 2. c) above, the fees involved are likely to be custody costs, settlement costs, management fee, performance fee, marketing fee, standard bank charges on transactions relating to securities and other assets and entitlements of the Funds, exchange fees, regulatory levies, legal fees, remuneration on central administration, registrar, domiciliary and principal paying agent, remuneration of the securities lending agent in relation to securities lending transactions, out of pocket fees (including without limitation telephone, telex, cable and postage expenses) incurred by the service providers and other agents appointed by Assenagon/the Funds, cost of printing, preparing, translating and distributing financial reports and prospectus, any registration fees, auditor's fees, cost of publishing the offer price and redemption price and any notices to share-/unitholders, all other customary administration and publication expenses arising from the Fund's operations, all risk and compliance monitoring support, remuneration of the Board of Directors and officers of the Fund and their reasonable out of pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, other costs as may be stated in the prospectus and the like, which are usually incurred as a consequence of actions which the Fund/ investor is required to take or wishes to be taken on its behalf, or which are in the best interests of the client.

Sub-investment management fees are also seen as proper fees and can be paid out of the management fees or out of the Fund (in such a case the investment management fees shall be disclosed in the prospectus).

### **5. Research**

When managing Funds, for which Assenagon acts as Management Company, Assenagon can receive investment research free of any fees as Directive 2014/65/EU ("MiFID II") is not applicable.

When managing Funds, for which Assenagon acts as Investment Manager by delegation, rules of Directive 2014/65/EU ("MiFID II") are applicable; therefore Assenagon will pay directly any mandatory fees for investment research received.

### **6. Review of the Policy**

Compliance will, together with the relevant departments, review the policy at least once a year. Compliance will update the policy whenever necessary.

Updates of the Policy will be submitted to the Board of Directors of Assenagon for approval.