



Summary of CACEIS'
policy for selection of
sub-custodians

To carry out its task of "safekeeping" (as defined by the "Regulation") its clients' financial securities (including UCIs), CACEIS, in its role as UCI custodian, and more generally as the custody account keeper for its clients, relies on various third-party entities (in particular central custodians, sub-custodians, etc.) according to the type of securities and the geographical location of the securities, as well as the capacity (particularly operational and financial) of the third-party entity operating in the relevant markets.

In the financial markets where CACEIS is not a direct participant in a central depository*, CACEIS uses sub-custodians (cf. the list on www.caceis.com) chosen independently, with CACEIS giving priority to the quality of the services and the security of its clients' assets.

These sub-custodians are selected according to a rigorous process which is part of a detailed procedure enabling CACEIS to comply with its obligations, in particular under the AIFM and UCITS directives, and an appropriate policy with regard to its size, its organisation and the nature of its activities, with a view to taking reasonable measures aimed at preventing conflicts of interest that could arise from the relationships with these third party entities (cf. the list on www.caceis.com).

The final selection of a sub-custodian is approved by a specific committee meeting quarterly, headed by a member of the CACEIS Executive Committee and with the participation of the manager in charge of the relationships with these third party entities, the managers of the operational departments concerned and CACEIS' Compliance/Permanent control, Risk and Legal departments.

A contract is signed between CACEIS and each of its sub-custodians, particularly taking into account the aspects relating to the protection of assets.

This committee supervises the monitoring and the relationships with the network of these third-party entities, which are managed by a dedicated team on a day-to-day basis. Throughout the relationship with each sub-custodian, this dedicated and experienced team carries out due diligence checks in order to verify the quality of their services rendered in operational as well as risk management terms as well as with regard to protection of assets and compliance with regulatory and contractual commitments.

* refers to any French or foreign entity that ensures that the number of financial securities in issue corresponds to the number of securities for which the issuer requests admission to trading on any given market and that is authorised to do so by the relevant regulatory authorities.