

**FAMILY INVESTMENT MANAGEMENT LIMITED**

**SCHEME PROSPECTUS**

in relation to

**FAMILY CHARITIES ETHICAL TRUST  
FAMILY ASSET TRUST  
FAMILY INVESTMENTS CHILD TRUST FUND**

(in each case the “Trust”)

**Dated: November 2022**

Prepared in accordance with  
The Financial Services and Markets Act 2000  
(Reference to the ‘Regulations’ in this Prospectus means the Collective Investment  
Scheme Sourcebook (COLL) of the FCA Handbook,  
unless otherwise stated)

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## 1. Authorisation

Each Trust is an authorised unit trust scheme under the Financial Services and Markets Act 2000 (the “Act”), as amended. Each Trust is categorised as a UCITS scheme.

### Date Authorised

| Name of Trust                       | Product reference number | Date              |
|-------------------------------------|--------------------------|-------------------|
| Family Charities Ethical Trust      | 108371                   | 30 March 1982     |
| Family Asset Trust                  | 146631                   | 3 September 1990  |
| Family Investments Child Trust Fund | 409046                   | 17 November 2004* |

\* The Family Investments Child Trust Fund was launched on the 6<sup>th</sup> April 2005

The unit holders are not liable for the debts of the Trusts.

### Base Currency

The base currency of every Trust is pounds sterling.

## 2.1 Investment Objectives and Policies

### 2.1.1 Family Asset Trust

The investment objective of the Family Asset Trust is to achieve long-term growth over a ten-year period by directly investing in UK shares. It aims to achieve its growth by re-investing any income arising from the investments the Trust holds and through any capital appreciation (increase in value) of the assets held.

To achieve its objective the policy of the Trust is to track the Financial Times Stock Exchange (‘FTSE’) 350 excluding Investment Trusts Total Return Share Index (‘the Index’). The Index represents the 350 largest companies by market capitalisation quoted on the London Stock Exchange excluding any Investment Trusts.

In order to track the Index, the Trust will hold shares in the companies that make up the Index and can also use derivatives such as FTSE 100 Index-linked futures to help replicate the performance of companies within the Index that also appear in the FTSE 100. These derivatives are used for efficient portfolio management, by avoiding the need to undertake

daily trading and thereby reducing the cost of transactions to be borne by the Trust, and to otherwise reduce risk and to generate additional growth.

The Trust may not consist of the exact composition and weighting of the Index in circumstances where the Manager has determined that this is expedient for reasons of poor liquidity or excessive cost to the Trust.

Where appropriate the Trust may use transferable securities, approved money market instruments, and units in collective investment schemes, although these are not currently used under the existing investment strategy.

Generally, the Trust will remain fully invested subject to the holding of cash or near cash to enable the pursuit of the Trust's investment objective or to assist in the redemption of units or the efficient management of the Trust.

The Trust's target benchmark for performance is the FTSE 350 excluding Investment Trusts Total Return Share Index. It is expected that the associated tracking error will be 0.2%, although this cannot be guaranteed. The benchmark has been selected as it matches the investment policy of the Trust.

The value of the Index can fall as well as rise and since the Trust aims to track the performance of the Index, the value of your investments may also fall as well as rise. As a result, your capital is at risk and you may not receive back the amount you have invested.

Although the objective of the Trust is to achieve long-term growth, due to volatility of the markets this may not be achieved over the short term. The Trust aims to achieve a positive return over an investment period of ten years and therefore investors in the Trust should expect to be invested for at least this length of time. There is no guarantee that growth will be achieved over this period, or over any specific time period.

More details of the risks associated with the Trust are set out in section 18 of the Prospectus.

### 2.1.2 Family Investments Child Trust Fund

The investment objective of the Family Investments Child Trust Fund is to achieve long-term growth over a ten-year period by directly investing in global shares. It aims to achieve its growth by re-investing any income arising from the investments the Trust holds and through any capital appreciation (increase in value) of the assets held.

To achieve its objective the policy of the Trust is to invest in companies that make up a variety of different stock market indices. A stock market index measures the performance of all the stocks that are listed on that market. The Financial Times Stock Exchange ('FTSE') indices in which the Trust invests are set out in the table below. The 'Strategic Weighting' sets out the proportion of the Trust's value that may be expected to be invested in each index over the long term. The 'Weight Range' sets out the permissible minimum and maximum range of the Trust's value that may be invested in each index at any given time.

The Investment Advisor may choose to deviate from the strategic weighting of the Trust at their discretion. This is subject to the Trust's investment in each index remaining within the overall weight range set out in the table and subject to the Trust holding between 85% and 100% of its total value in shares at any point in time.

| Index   | Strategic Weighting<br>(% of the Trust) | Weight<br>Range |
|---|---|-----------------|
| FTSE 350 excluding Investment Trusts Total Return Index   | 55.0%                                   | 40% -<br>70%    |
| FTSE All World Asia-Pacific Ex Japan Total Return Index   | 7.5%                                    | 0% -<br>15%     |
| FTSE All World Developed Europe Ex UK Total Return Index  | 15.0%                                   | 5% -<br>25%     |
| FTSE All World Developed Japan Total Return Index         | 7.5%                                    | 0% -<br>15%     |
| FTSE All World Developed North America Total Return Index | 15.0%                                   | 5% -<br>25%     |

In order to accurately track the indices, the Trust's investments will normally replicate the holdings within each index and can also use derivatives such as appropriate index-linked futures to help the Trust replicate the performance of each index. These derivatives are used for efficient portfolio management, by avoiding the need to undertake daily trading and thereby reducing the cost of transactions to be borne by the Trust, and to otherwise reduce risk and to generate additional growth. Forward currency contracts ('FXs') may also be used to provide a currency hedge in respect of the non-sterling investments in the portfolio.

The Trust may not consist of the exact composition and weighting of each index in circumstances where the Manager has determined that this is expedient for reasons of poor liquidity or excessive cost to the Trust.

Where appropriate the Trust may invest in fixed interest securities, transferable securities, approved money market instruments, and units in collective investment schemes, although these are not currently used under the existing investment strategy.

Generally, the Trust will remain fully invested subject to the holding of cash or near cash to enable the pursuit of the Trust's investment objective or to assist in the redemption of units or the efficient management of the Trust.

The Trust's benchmarks are the indices listed above. These are considered to be constraining benchmarks because the investments in the indices are limited to the weight ranges set out in the table thereby constraining the investments that can be held. The benchmarks have been selected as they match the investment policy of the Trust. As the investments are spread across multiple indices the performance of the Trust may vary from any individual index

The value of the indices can fall as well as rise and since the Trust aims to track the performance of each index, the value of your investments may fall as well as rise. As a result, your capital is at risk and you may not receive back the amount you have invested.

Although the objective of the Trust is to achieve long-term growth, due to volatility of the markets this may not be achieved over the short term. The Trust aims to achieve a positive return over an investment period of ten years and therefore investors in the Trust should expect to be invested for at least this length of time. There is no guarantee that growth will be achieved over this period, or over any specific time period.

More details of the risks associated with the Trust are set out in section 18 of the Prospectus.

### **2.1.3 Family Charities Ethical Trust**

The investment objective of the Family Charities Ethical Trust is to achieve long-term growth over a ten-year period by directly investing in UK shares in companies that can demonstrate strong environmental, social and governance practices. It aims to achieve its growth by re-investing any income arising from the investments the Trust holds and through any capital appreciation (increase in value) of the assets held.

To achieve its objective the policy of the Trust is to track the Financial Times Stock Exchange ('FTSE') 4Good UK 50 Total Return Share Index ('the Index'). The Index represents the 50 largest companies by market capitalisation quoted on the London Stock Exchange that can demonstrably show they are working towards the following ethical standards:

- Environmental sustainability
- Adapting to and mitigating climate change
- Countering bribery
- Upholding and supporting human rights
- Ensuring good supply-chain labour standards

The Index also avoids investment in companies involved in the production of products such as tobacco and weapons.

In order to track the Index, the Trust will hold shares in the companies that make up the Index and can also use derivatives such as FTSE 100 Index-linked futures to help replicate the performance of companies within the Index that also appear in the FTSE 100. By holding these derivatives the Trust will have some indirect exposure to companies that are not included in the Index and which may not necessarily meet its ethical criteria. These derivatives are used for efficient portfolio management, by avoiding the need to undertake daily trading and thereby reducing the cost of transactions to be borne by the Trust, and to otherwise reduce risk and to generate additional growth.

The Trust may not consist of the exact composition and weighting of the Index in circumstances where the Manager has determined that this is expedient for reasons of poor liquidity or excessive cost to the Trust.

Where appropriate the Trust may use transferable securities, approved money market instruments, and units in collective investment schemes, although these are not currently used under the existing investment strategy.

Generally, the Trust will remain fully invested subject to the holding of cash or near cash to enable the pursuit of the Trust's investment objective or to assist in the redemption of units or the efficient management of the Trust.

The Trust's target benchmark for performance is the FTSE4Good UK 50 Total Return Share Index. It is expected that the associated tracking error will be 0.2%, although this cannot be guaranteed. The benchmark has been selected as it matches the investment policy of the Trust.

Because the Family Charities Ethical Trust follows an index which has ethical criteria and uses ethical screening, we cannot invest in certain sectors and companies. This could mean the Trust carries greater risk than a Trust which has no such restrictions.

The value of the Index can fall as well as rise and since the Trust aims to track the performance of the Index, the value of your investments may also fall as well as rise. As a result, your capital is at risk and you may not receive back the amount you have invested.

Although the objective of the Trust is to achieve long-term growth, due to volatility of the markets this may not be achieved over the short term. The Trust aims to achieve a positive return over an investment period of ten years and therefore investors in the Trust should expect to be invested for at least this length of time. There is no guarantee that capital growth will be achieved over this period, or over any specific time period.

More details of the risks associated with the Trust are set out in section 18 of the Prospectus.

Any change to the Investment Objectives and Policy of any Trust requires the prior approval of an extraordinary resolution of the unitholders unless the change is, in the context of the investment policy applicable to the relevant Trust, of minimal significance only, and the authorised fund manager and the Depositary have so agreed in writing. Also see Section 14, Meetings of Unit Holders.

The Trusts have not been and will not be registered under the United States Securities Act of 1933, as amended for offer or sale as part of their distribution and Trusts have not been and will not be registered under the United States Investment Company Act of 1940, as amended. Therefore, subject to the ultimate discretion of the Manager, units may not be offered or sold to or for the benefit of a US national or a US resident.

If you become a US person after your investment has started, you must let us know immediately. This may result in your investment being closed, and the value returned to you.

## 2.1 Index Tracking Trusts

Further details regarding the Benchmark Indices for the Family Asset Trust and Family Charities Ethical Trust (including index constituents and rebalancing frequency) are available on the index provider's website at [www.ftserussell.com](http://www.ftserussell.com)

### Anticipated Tracking Error of the Trusts

Tracking error is the annualised standard deviation of the difference in monthly returns between a Trust and its Benchmark Index. Anticipated tracking error is based on the expected volatility of differences between the returns of the relevant Trust and the returns of its index. This tracking error may result from incurring operational fees and expenses in respect of the Trust. Cash management and trading costs from rebalancing can also have an impact on the tracking error

| Trust                          | Anticipated Tracking Error |
|--------------------------------|----------------------------|
| Family Asset Trust             | 0.2%                       |
| Family Charities Ethical Trust | 0.2%                       |

The Anticipated Tracking Error is calculated using the performance of the Trust against the performance of the Benchmark Index at the Trust's valuation point

The annual report of the Trust will provide an explanation of any divergence between anticipated and realised Tracking Error for the relevant period

### 2.3.1 Benchmarks Regulation

Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014).

The Benchmarks Regulation was effective on 1 January 2018 and unless otherwise disclosed in this prospectus, the benchmarks utilised by the schemes are, as at the date of this Prospectus, provided by benchmark administrators who are availing of the transitional Information Classification: Limited Access

arrangements afforded under Regulation (EU) 2016/1011 (the “Benchmark Regulation”) and benchmark maintained by ESMA pursuant to Article 36 of the Benchmark Regulation.

The Management Company has Benchmark Selection Procedures that apply to new benchmarks and in the event, that benchmarks materially change or cease to be provided. The procedures include an assessment of the suitability of a scheme’s benchmark, the proposed communication of changes in benchmark to unitholders and approvals by internal governance committees and boards.

A benchmark change will require an amendment to the Prospectus and will be communicated to unitholders in line with applicable regulatory requirements.

### **3. Investment and Borrowing Powers**

#### **3.1 Investment Powers & Restrictions**

##### **Family Investments Child Trust Fund; Family Asset Trust and Family Charities Ethical Trust**

Subject to the aim of achieving the stated investment objective and the restrictions set out in this prospectus, the Trust will be invested in accordance with Chapter 5 of the Regulations.

The property of the Trust must only consist of any or all of:

- (i) transferable securities;
- (ii) approved money market instruments;
- (iii) units in collective investment schemes;
- (iv) derivatives and forward transactions for efficient portfolio management and to provide protection against exchange rate and other risks; and
- (v) deposits.

##### **Investment in Transferable Securities and Money Market Instruments**

A transferable security is an investment which is any of the following:

- a share;
- a debenture;
- a government and public security;
- a warrant; or
- a certificate representing certain securities.

An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.

(In applying to an investment which is issued by a body corporate, and which is a share or a debenture the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored)

An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

Generally, the Trust may hold transferable securities and money market instruments that are admitted to or dealt in on an eligible market (see Section 3.2) or for a money-market instrument, fall within the definition of an “approved” money market instrument as defined in Chapter 5 of the Regulations.

Transferable securities also includes recently issued transferable securities, provided that:

- (i) the terms of issue include an undertaking that an application will be made for that security to be admitted to an eligible market; and,
- (ii) admission to that eligible market is secured within a year of issue.

However, the Regulations permit an exception to this rule, in that up to 10% of the property of the Trust may be invested in transferable securities and approved money market instruments that are not admitted to or dealt on an Eligible Market or money market instruments that are not “approved” money market instruments.

### **Nil/Partly paid**

A transferable security or an approved money market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Trust, at the time when payment is required, without contravening the rules in the Regulations or the limits set out in this Prospectus.

### **Warrants**

No more than 5% of the Trust’s property may consist of warrants (rights to subscribe for securities).

### **Closed End Funds Constituting Transferable Securities**

A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Trust, provided it fulfils the criteria for transferable securities, and either:

- where the closed end fund is constituted as an investment company or a unit trust:
  - it is subject to corporate governance mechanisms applied to companies; and
  - where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
- where the closed end fund is constituted under the law of contract:
  - it is subject to corporate governance mechanisms equivalent to those applied to companies; and
  - it is managed by a person who is subject to national regulation for the purpose of investor protection.

### **Transferable Securities Linked to Other Assets**

A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Trust provided the investment:

- fulfils the criteria for transferable securities; and
- is backed by or linked to the performance of other assets, which may differ from those in which the Fund can invest.

**Where an investment contains an embedded derivative component, the requirements of page 9 with respect to derivatives and forwards will apply to that component.**

### **Investment in Collective Investment Schemes**

Up to 100% of the value of the property of the Trust may be invested in units in collective investment schemes (subject to such schemes meeting the requirements of the Regulations). However, no more than 30% of the value of the Trust may be invested in collective investment schemes falling within (a)(ii) to (a)(iv) below. Any investee scheme must also comply with the following requirements:

- (a)
  - (i) it is a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
  - (ii) it is a scheme that is recognised under the provisions of section 270 of the Act (Schemes authorised in designated countries or territories); or

- (iii) it is a scheme which is authorised as a non-UCITS retail scheme (provided the requirements of Article 19(1)(e) of the UCITS Directive are met); or
- (iv) it is a scheme which is authorised in another EEA State (provided the requirements of Article 19(1)(e) of the UCITS Directive are met);
- (v) be authorised by the competent authority of an OECD member country (other than another EEA State) which has:
  - (i) signed the IOSCO Multilateral Memorandum of Understanding; and
  - (ii) approved the scheme's management company, rules and depositary/custody arrangements;(provided the requirements of article 19(1)(e) of the UCITS Directive are met);

(b) the second scheme must have terms which prohibit more than 10% in value of the property of the Trust consisting of units in collective investment schemes; and

(c) for the purposes of the “Spread: general” section below and this section each sub-fund of an umbrella scheme is to be treated as if it were a separate scheme but no sub-fund of an umbrella scheme may invest in another sub-fund of that umbrella scheme.

The Trust may invest a significant proportion of its assets in collective investment schemes managed or operated by the Manager or an associate of the Manager, provided the restrictions on charging fees to the Trust in the Regulations are complied with.

The aggregate maximum level of management fees that may be charged to the Trust, including any management fees levied on any collective investment schemes in which the Trust invests, will not exceed 4% per year. In addition, the Trust may also invest in collective investment schemes which charge a performance fee. An investee collective investment scheme may charge a performance fee for a particular performance period up to 25% of the outperformance of its benchmark during that period.

### **Investment in deposits**

The Trust may invest in deposits only with an Approved Bank (within the meaning of the Regulations) and which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months.

## Investment in Derivatives and Forward Transactions

***The Manager may enter into certain derivative and forward transactions for the purpose of efficient portfolio management and to provide protection against exchange rate and other risks. In the opinion of the Manager, at no time does the use of derivatives and forward transactions increase the risk profile of the Trust.***

Permitted transactions for those purposes (excluding stock lending transactions) are forward currency transactions with approved counterparties and transactions in:

- (i) approved derivatives (i.e. options, futures or contracts for differences which are dealt in or traded on an eligible derivatives market);
- (ii) off-exchange derivatives (i.e. futures, options or contracts for differences resembling options with a counterparty falling within certain specified categories and meeting certain other criteria); or,
- (iii) synthetic futures.

A transaction in approved derivative must be effected on or under the rules of an eligible derivatives market:

A transaction in a derivative must:

- have the underlying consisting of any or all of the following to which a Trust is dedicated:
  - transferable securities;
  - permitted money market instruments;
  - permitted deposits;
  - permitted derivatives;
  - permitted collective investment scheme units;
  - financial indices;
  - interest rates;
  - foreign exchange rates; and
  - currencies.

It must not cause a Trust to diverge from their investment objective;

It must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units in collective investment schemes, or derivatives.

Any forward transactions must be made with an eligible institution or an approved bank.

A UCITS scheme may not enter into transactions in derivatives on commodities.

Where a transferable security embeds a derivative, this must be taken into account for the purposes of complying with this section.

The eligible derivatives markets for the Trust are listed below under section 3.2 "Eligible Markets".

A derivatives or forward transaction which would or could lead to delivery of property to the Depositary may be entered into only if such property can be held by the Trust and the Manager has taken reasonable care to determine that delivery of the property pursuant to the transaction will not lead to a breach of the Regulations.

There is no limit on the amount of the Scheme Property of a Trust which may be used for transactions for the purposes of hedging and efficient portfolio management and to provide protection against exchange rate and other risks but each transaction for the account of the Trust must satisfy three broadly based requirements: -

- (1) the transaction must be one which the Manager has ascertained with reasonable care to be economically appropriate for the Trust. This means that the Manager must take reasonable care to determine that, for a transaction undertaken to reduce risk or cost (or both), the transaction (alone or in combination) will diminish a risk or cost of a kind or level which it is sensible to reduce and, for a transaction undertaken to generate additional capital or income, the Trust is certain (or certain barring events which are not reasonably foreseeable) to derive a benefit from the transaction. A transaction may not be entered into if its purpose could reasonably be regarded as speculative. Except where used for tactical asset allocation to manage a trust's market exposure, transactions that relate to the actual or potential acquisition of transferable securities, then the Manager must intend that the Trust should invest in

transferable securities within a reasonable time; and it must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.

Tactical asset allocation will only apply to the Family Investments Child Trust Fund and is not permitted for the Family Asset Trust or the Family Charities Ethical Trust.

- (2) the purpose of the transaction must be to achieve one of the following in respect of the Trust: -
- (i) reduction of risk;
  - (ii) reduction of cost; and.
  - (iii) generation of additional capital or income for the Trust with an acceptably low level of risk

An indication of the techniques the Manager may use is given below:

- the use of a transaction which closes out another (and thereby necessarily reduces exposure);
- the use of currency loans, currency options or futures or forward transactions in currencies to hedge against price or currency fluctuations;
- the use of transactions to reduce the risk or cost in the management of the scheme by reason of any receipt or expenditure of money (whether by way of issue or redemption of units, receipt of dividends, payment of income or otherwise) which is certain to take place within 1 month;
- the use of derivatives or a forward transaction in a currency to take advantage of price imperfections in relation to the acquisition and disposal of rights in relation to property; and /or
- the use of call or put options, with a view to generating additional benefit for the Trust, on property which the Trust holds or may properly hold.

There is an acceptably low level of risk in any case where the Manager has taken reasonable care to determine that the Trust is certain (or certain barring events which are not reasonably foreseeable) to derive a benefit from stocklending (which is described below in Section 3.4 - "Stocklending") or on the basis either of taking advantage of pricing imperfections in relation to the acquisition and disposal (or vice versa) of rights in relation to property the same as, or equivalent to property which

the Trust holds or may properly hold or of receiving premiums for the writing of covered put or call options.

The relevant purpose must relate to the property of the Trust; property (whether precisely identified or not) which is to be or is proposed to be acquired for the Trust or anticipated cash receipts of Trust if due to be received at some time and likely to be received within one month; and

- (3) No transaction may be entered into unless the maximum potential exposure created by each transaction, in terms of the principal or notional principal of the derivative or forward contract must be covered “individually” by assets of the right kind within the Trust’s property (i.e., in the case of an exposure in terms of property, appropriate transferable securities or other property; and, in the case of an exposure in terms of money, cash, near cash, or transferable securities which can be sold to realise the appropriate cash) and “globally” (i.e. after providing cover for existing transactions there is adequate cover from within the property of the Trust for the new transaction to be entered into). The ‘Commitment Approach’ has been chosen by FIML as the appropriate method of calculating the global exposure for its UCITS funds using a conversion methodology for standard derivatives (as per the *CESR Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS*) in approved index futures, as follows:

**Index Futures: Number of contracts \* notional contract size \* index level**

Property and cash can be used only once for cover and, generally, property is not available for cover if it is the subject of a stocklending transaction. The lending transaction in a back to back currency borrowing does not require cover.

### **Cash and near cash**

Cash and near cash must not be retained in the property of the Trust except to the extent that, where this may reasonably be regarded as necessary in order to enable:

- the pursuit of the Trust’s investment objective; or
- redemption of units; or
- efficient management of the Trust in accordance with its investment objective; or
- other purposes which may reasonably be regarded as ancillary to the investment objective of the Trust.

The amount of cash and near cash will vary depending upon prevailing circumstances. Although it would normally not exceed 10% of the value of the Trust, there may be times when the Manager considers stock markets around the world to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained and, if considered prudent, the amount of cash or near cash instruments held could be increased subject to the Regulations.

In accordance with the Regulations, the Trust can move wholly into or significantly increase holdings in the amount of cash or near cash instruments.

### **Spread (general)**

The Manager must ensure that whilst taking account of the investment objective and policy, the property of the Trust aims to provide a prudent spread of risk.

The following does not apply to government and public securities.

Not more than 5% in value of the property in the Trust is to consist of transferable securities or approved money market instruments issued by any single body, except that the limit of 5% is raised to 10% if the value of all such holdings combined does not exceed 40% of the value of the property in the Trust. For these purposes certificates representing certain securities are treated as equivalent to the underlying security.

Where stated in the investment objective that the scheme replicates an index the scheme may invest up to 20% in value of the scheme property in shares and debentures which are issued by the same body

The 20% limit can be raised to a maximum of 35% in exceptional market conditions. These exceptional market conditions include where a single company may, for various reasons, including as a result of a merger, have a very dominant position in the particular market sector in which it operates and as such accounts for a large proportion of a benchmark index.

The investment up to this limit is only permitted for a single issuer.

In these circumstances appropriate information will be disclosed in the simplified prospectus

None of the funds may currently invest in Covered Bonds; however, if the funds were to invest in Covered Bonds the following two paragraphs would apply:

(Investment in covered bonds would only be permitted in the Family Investments Child Trust Fund and not the Family Asset Trust or Family Charities Ethical Trust)

Covered Bonds\* need not be taken into account for the purpose of applying the limit of 40%.

The limit of 5% is increased to 25% where investment is in Covered Bonds, provided that when a UCITS scheme invests more than 5% in Covered Bonds issued by a single body, the total value of Covered Bonds held does not exceed 80% of the value of the scheme property.

*\*Covered Bonds – a bond issued by a credit institution that has its registered office in an EEA State and is subject by law to special public supervision designed to protect bondholders and in particular protection under which sums deriving from the issue of the bond must be invested in conformity with the law in assets which, during the whole period of validity of the bond, are capable of covering claims attaching to the bond and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.*

Not more than 20% in value of the property in the Trust is to consist of deposits with a single body.

The exposure to any one counter-party in an OTC derivative transaction must not exceed 5% in value of the property of the Trust. This limit is raised to 10% where the counterparty is an approved bank.

In applying the above limits, not more than 20% in value of the property in the Trust is to consist of any combination of two or more of the following:

- (a) transferable securities (including Covered Bonds or approved money market instruments issued by; or
  - (b) deposits made with; or
  - (c) exposures from OTC derivatives transactions made with;
- a single body.

In applying the above 20% limit, Government and Public Securities issued by that single body should also be taken into account.

Not more than 20% in value of the property in the Trust is to consist of transferable securities and approved money market instruments issued by the same group.

Not more than 20% in value of the Trust is to consist of the units of any one collective investment scheme.

### **Spread (Government and Public Securities – ‘GAPS’)**

More than 35% in value of the property in the Trust can be invested in transferable securities or an approved money market instrument, ("such securities") issued or guaranteed by:

- (a) An EEA State;
- (b) A local authority of an EEA State;
- (c) A non-EEA State; or
- (d) A public international body to which one or more EEA States belong.

Provided that:

- (a) The Manager has, before any such investment is made, consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Trust.
- (b) No more than 30% of the value of the property of that Trust consists of such securities of any one issue;
- (c) The scheme property of that Trust includes such securities issued or guaranteed by that or another issuer of at least six different issues; and
- (d) Certain details have been disclosed in this Prospectus.

Up to 100% of the property of the Trust may be invested in transferable securities or an approved money-market instrument ("such securities") issued by or on behalf of or guaranteed by one issuer, which may be one of the following: the Government of the United Kingdom, the Scottish Administration, the Executive Committee of the Northern Ireland Assembly or the National Assembly of Wales, the Governments of Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, The Slovak Republic, Slovenia, Spain, and Sweden, and the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America, and securities issued by the European Investment Bank.

Please note that Iceland is not included in this list, however the Trust is able to invest up to 35% in Iceland GAPS anyway. If the Trust intends to invest more than 35% in Iceland in the future, then the Trust Deed and Prospectus will be updated accordingly in accordance with the Regulations.

Investment beyond 35% in the countries listed will only apply to the Family Investments Child Trust Fund and is not permitted for the Family Asset Trust or the Family Charities Ethical Trust

### **Significant influence**

In accordance with the Regulations, the Manager must not hold transferable securities in any one body corporate which carry the right to 20% or more of the votes at a general meeting.

### **Concentration**

The Trust must not hold transferable securities (other than debt securities) that represent:

- more than 10% of the non-voting securities issued by any one body corporate;
- more than 10% of the debt securities issued by any single issuing body;
- more than 25% of the units in a collective investment scheme; and
- more than 10% of the approved money market instruments issued by any single body

The Trust need not comply with the above limits on debt securities, units in collective investment schemes or money market instruments if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

### **Child Trust Fund Regulations**

It is the intention of the Manager to invest the Family Investments Child Trust Fund unit trust in accordance with The Child Trust Fund Regulations 2004, as amended from time to time, in force.

### **3.2 Eligible Markets**

To protect investors the markets on which investments of the Trusts (including derivatives) are dealt in or traded on should be “Eligible Markets”, that is to say markets of an adequate quality (subject to the 10% exception described in section 3.1 above).

“Eligible Securities Markets” for the Trusts are as follows:

- The following exchanges registered with the Securities and Exchange Commission in the United States: The New York Stock Exchange, NASDAQ and Over The Counter Market;
- Australian Securities Exchange (ASX)

- Hong Kong Exchanges & Clearing Limited (HKEX)
- Korea Stock Exchange (KRX)
- Markets established in the United Kingdom or in an EEA member state
- The New Zealand Stock Exchange (NZX)
- The Singapore Exchange Limited (SGX)
- The SIX Swiss Exchange (SIX)
- The Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange and Sapporo Stock Exchange in Japan.
- The Toronto Stock Exchange in Canada (TSX).

“Eligible Derivatives Markets” for the Trusts are as follows:

- Australian Securities Exchange (ASX)
- Austria: Wiener Borse (ATX) - Vienna Stock Exchange
- Belgium: NYSE Euronext: Brussels (NYX) - Brussels
- Canada: Bourse De Montreal (MX) – Montreal Exchange
- Denmark: NSADAQ OMX Nordic Exchange - Copenhagen A/S
- Europe: EUREX Exchange
- Finland: NASDAQ OMX Nordic Exchange - Helsinki
- France: NYSE Euronext - Paris
- Holland: Euronext Derivatives - Amsterdam
- Hong Kong Exchanges and Clearing Limited (HKEX)
- ICE Futures (Europe)
- ICE Futures (U.S.)
- Ireland: Irish Stock Exchange - Dublin
- Italy: Borsa Italiana – Milan
- Japan: Tokyo Financial Exchange (TFX) and Osaka Securities Exchange (JPX)
- Korea Stock Exchange (KRX) - Busan
- Norway: Oslo Bors (OBX) - Oslo
- Singapore Exchange Limited (SGX) - Singapore
- Spain: MEFF Renta Variable Barcelona (MRV) - Madrid
- Sweden: OMX Nordic Exchange - Stockholm
- United Kingdom: NYSE Euronext (NYX) and Euronext LIFFE - London
- United States of America: CME Group Inc. - Chicago

(The Family Asset Trust & Family Charities Ethical Trusts are restricted in investment in UK eligible markets only)

### **3.3 General power to accept or underwrite placings**

All of the Trusts can enter into underwriting or placing arrangements if none of the investment limits in this Prospectus would be breached if the relevant securities were acquired and the obligations that arose to pay for them could be met in full, if the need arose. However, with the exception of the Family Investments Child Trust Fund, no agreement or understanding may be entered into if it relates to units or shares in a collective investment scheme.

### **3.4 Stock lending**

The Depositary may at the request of the Manager enter into stocklending arrangements or repo contracts, that is to say a transaction by way of disposal of property in Trust and reacquisition of equivalent property, for the generation of additional income for the benefit of the Trust, but only in accordance with the Regulations.

Stocklending is not being utilised by the Trusts at present.

### **3.5 Borrowing Powers**

The Regulations confer a power for borrowings to be made for the use of a Trust. The Regulations currently provide that borrowing is to be repayable out of the property of the Trust; and must not on any business day exceed 10% in value of the property of the Trust. Borrowings may only be made on a temporary basis and not persistently and in any event must not exceed three months without prior consent of the Depositary.

Money that may be borrowed for the account of the Trust may be borrowed from the Depositary or from any associate (being an eligible institution or an approved bank) of the Depositary or the Manager so long as the loan in question complies with the requirements set out for such loans in the Regulations. Subject to this, such banker shall not be obliged to account to the Trust or the holders for any profits or benefits gained from making such loans.

### **3.6 Use of Derivatives**

The Manager uses a risk management process, enabling it to monitor and measure as frequently as appropriate the risk of the Trust's derivatives and forwards positions and their

contribution to the overall risk profile of the Trust. Before using the process, the manager will notify the FCA of the details required as set out in the Regulations.

Sections 3.1 – 3.6 represent a summary of limits on investment in respect of each of the Trusts. There are some additional restrictions in COLL 5, which also apply to these Trusts, and therefore the investment powers of these Trusts are subject to those additional restrictions.

### 3.7 Past Performance

| <b>Name of Trust /<br/>Benchmark</b>                    | <b>Cumulative<br/>performance<br/>(%)*</b> | <b>Discrete annual performance (%)</b> |             |             |             |             |
|---|--|--|-------------|-------------|-------------|-------------|
|   |  | <b>Accounting year ending December</b> |             |             |             |             |
|   |  | <b>2021</b>                            | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>2017</b> |
| Family Asset Trust (Acc)                                | 21.0                                       | 16.8                                   | (12.3)      | 17.1        | (9.4)       | 11.3        |
| FTSE 350 excluding Investment Trusts Total Return Index | 27.5                                       | 18.5                                   | (11.5)      | 19.0        | (9.7)       | 12.8        |

| <b>Name of Trust /<br/>Benchmark</b>            | <b>Cumulative<br/>performance<br/>(%)*</b> | <b>Discrete annual performance (%)</b> |             |             |             |             |
|---|--|--|-------------|-------------|-------------|-------------|
|   |  | <b>Accounting year ending March</b>    |             |             |             |             |
|   |  | <b>2022</b>                            | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> |
| Family Charities Ethical Trust (Acc)            | 21.0                                       | 15.2                                   | 16.7        | (15.6)      | 7.5         | (0.9)       |
| Family Charities Ethical Trust (Inc)            | 7.0  | 13.4                                   | 13.3        | (18.0)      | 4.9         | (3.1)       |
| FTSE4Good UK 50 Ex Investment Trust (FAUT only) | 60.0                                       | 17.0                                   | 18.7        | (15.0)      | 9.9         | 0.5         |

| <b>Name of Trust /<br/>Benchmark</b>                     | <b>Cumulative<br/>performance<br/>(%)*</b> | <b>Discrete annual performance (%)</b> |             |             |             |             |
|--|--|--|-------------|-------------|-------------|-------------|
|  |  | <b>Accounting year ending March</b>    |             |             |             |             |
|  |  | <b>2022</b>                            | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> |
| Family Investments Child Trust Fund (Acc)                | 26.0                                       | 9.5                                    | 32.1        | (15.5)      | 2.8         | 0.2         |
| FTSE 350 excluding Investment Trusts Total Return Index  | 23.9                                       | 13.4                                   | 25.1        | (19.1)      | 6.4         | 1.0         |
| FTSE All World Asia-Pacific Ex Japan Total Return Index  | 34.1                                       | 2.09                                   | 50.3        | (17.8)      | 4.6         | 1.6         |
| FTSE All World Developed Europe Ex UK Total Return Index | 42.1                                       | 6.5                                    | 35.0        | (7.8)       | 2.8         | 4.1         |
| FTSE All World Developed Japan Total Return Index)       | 28.7                                       | (2.3)                                  | 26.3        | (2.1)       | (0.9)       | 7.5         |

|   |      |      |      |       |      |     |
|---|------|------|------|-------|------|-----|
| FTSE All World Developed North America Total Return Index | 91.9 | 19.1 | 42.0 | (3.4) | 16.8 | 0.7 |
|---|------|------|------|-------|------|-----|

**Source: Trust performance is based on price movement calculated using published prices as at 10am, which will include all charges payable. Benchmark data is based on closing value of the Index sourced from Bloomberg.**

The past performance figures above are presented on an accounting year basis net of all taxes and charges but do not include the effect of subscription or redemption fees. The table includes the performance of the Trust as well as its benchmark, however, the Family Investments Child Trust Fund benchmark highlights the weighted performance of the underlying indices that make up the composite benchmark.

Figures are provided for the last five full consecutive accounting years.

The figures for the Family Charities Ethical Trust income units have been calculated with net distributions reinvested.

Please remember that past performance should not be seen as an indication of future performance. For the latest performance figures, please contact Family Investment Management Limited.

### **3.8 Investor Profile**

All unit trusts are marketable to all eligible retail investors provided they are over the age of 18 and can meet the minimum subscription levels. The Trusts may be suitable for investors who see collective investment schemes as an appropriate way of participating in investment markets. They may be suitable for investors seeking to achieve one of the defined investment objectives set out in section 2. Such investors must have experience with, or understand, products where the capital is at risk. They should be able to invest their capital for at least 5 years. If you are uncertain whether the Trust you are considering is suitable for you, please contact a financial adviser.

#### 4. Distributions

The accounting periods and distribution dates for each Trust are as follows:

| Trust                               | Annual Accounting Period | Distribution Date *         | Interim Accounting Period | Distribution Date * |
|-------------------------------------|--------------------------|-----------------------------|---------------------------|---------------------|
| Family Asset Trust                  | 31st December            | <i>last day of February</i> | 30th June                 | <i>n/a</i>          |
| Family Charities Ethical Trust      | 31st March               | <i>31st May</i>             | 30th September            | <i>n/a</i>          |
| Family Investments Child Trust Fund | 31st March               | <i>31st May</i>             | 30th September            | <i>n/a</i>          |

***\* or such other dates in each calendar year as may be determined by the Manager being a date not later than two months after the date on which the immediately preceding accounting period ended.***

The amount available for distribution is calculated by taking the aggregate of the income property received or receivable in respect of the accounting period; deducting any payments due to the Manager or Depositary (see section 11) and any other adjustments as allowed by the Regulations.

On or before the distribution date, the Manager will allocate the available income to the units of each type in issue. In the case of income units, unit holders will receive a distribution of income. Unless a unit holder instructs otherwise, the distribution will be paid by cheque. In the case of accumulation units, the distribution will be transferred to the capital property of the Trust.

#### 4.1 Unclaimed Distributions

In accordance with COLL 6.8.4 of the Regulations unclaimed distributions are transferred to the Trust's capital account six years after the distribution became payable. Thenceforth, neither the payee, nor the holder, nor any successor in title to it will have any right except as part of the capital property.

## 4.2 Taxation on Distributions

### a) Dividend Distributions (Tax regulations are subject to change)

Unitholders who receive, or are deemed to receive, distributions will be taxed as follows:

#### i) Unitholders other than Companies

From 6 April 2018 the Dividend Allowance in the form of a 0% tax rate on the first £5,000 of dividend income per year has been reduced to the first £2,000.

The Dividend Allowance won't reduce total income for tax purposes but it means that you won't have to pay tax on the first £2,000 of your dividend income, no matter what non-dividend income you have.

Dividends above this level will be taxed as follows:

7.5% for dividend income within the basic rate band

32.5% for dividend income within the higher rate band

38.1% for dividend income taxable at the additional rate band

The new tax rates will apply to the actual dividend received by an investor as there will no longer be any requirement to gross-up the dividend, the Tax Credit field has now been removed from your tax voucher.

#### ii) UK Resident Corporate Unitholders:

Dividend distributions comprising franked investment income of a Trust (computed under Section 468Q of the Income and Corporation Taxes Act 1988 (the "Taxes Act")) will not be taxable.

Any balance of the dividend distributions, the unfranked part, will be subject to corporation tax. It will be taxed as if it was an annual payment made after deduction

of income tax at the lower rate. UK resident corporate unitholders will be entitled to a set off against corporation tax in respect of the tax deemed to have been deducted.

#### b) Interest Distributions

Each Trust may also elect for all distributions (whether or not representing interest income of the Trust) to be treated as payments of yearly interest (“interest distributions”). This would produce a different tax treatment from the treatment described above. (The Depositary, do not however, anticipate electing for this treatment).

All interest distributions to UK resident unitholders would be subject to a deduction of lower rate income tax by the Trust. Unitholders would be liable to tax on the distribution but would receive credit for the tax deducted. Non-resident unitholders would be entitled in certain circumstances to receive interest distributions without deduction of tax.

### **5. Units**

The Trusts may consist of accumulation units only, or income units only, or both income and accumulation units (distributions are paid net of tax). Units in the Trusts have no nominal value.

Each income unit represents one undivided share in the property of the Trusts. Each accumulation unit represents a number of undivided shares in the property of the Trusts, which will increase each time the fund distributes (and the income is transferred to capital) as described in section 4.

The rights of the unit holders represented by units is that of a beneficial interest under a trust.

The names of the unit holders are held on a register. The Trust Deeds relating to the Trusts relieve the Depositary and the Manager from the duty to issue certificates and no certificates in respect of units will be issued. The register of holders for each Trust is conclusive evidence of the title to units.

### **.6. The Manager**

The Manager of the Trusts is Family Investment Management Limited, a private company, authorised and regulated by the Financial Conduct Authority, limited by shares incorporated

in England and Wales on 21st May 1985 under number 1915516 whose registered and head office is 16 West Street, Brighton, East Sussex, BN1 2RE. The holding company (both immediate and ultimate) of the Manager is Family Assurance Friendly Society Limited, an incorporated friendly society registered in England and Wales.

Subject to certain limited exceptions set out in the Regulations, the Manager may retain the services of any person to assist it in the performance of its functions.

### Share Capital

Family Investment Management Limited has an authorised share capital of £500,000, £70,000 of which is issued and fully paid.

### Directors

The Directors of Family Investment Management Limited and details of their other significant business activities not connected with the Manager are:

#### **Executive Directors**

|               |  |
|---------------|--|
| S.T. Nyahasha | Chief Executive of Family Assurance Friendly Society Limited         |
| J. Islam      | Chief Financial Officer of Family Assurance Friendly Society Limited |
| P.J. Herz     | Chief Risk Officer of Family Assurance Friendly Society Limited      |

#### **Non-Executive Directors**

S.J. Colsell  
S.A.H. Williams

## **7. The Depositary**

The Depositary of the Trusts is State Street Trustees Limited (registered no. 2982384) a private company limited by shares incorporated in England and Wales on 24<sup>th</sup> October 1994. Its ultimate holding company is State Street Corporation, a company incorporated in the state of Massachusetts, USA.

Its registered office is at 20 Churchill Place, Canary Wharf, London E14 5HJ

The principal business activity of State Street Trustees Limited is acting as a trustee and depositary of collective investment schemes. It is regulated and authorised by the FCA.

The Depositary has delegated the custody of assets of the Trusts to State Street Bank and Trust Company. The arrangements prohibit State Street Bank and Trust Company, as such Custodian, releasing documents evidencing title to such assets into the possession of a third party without the consent of the Depositary.

### **Depositary's functions**

The Depositary has been entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares/Units are carried out in accordance with applicable law and the management regulations/articles of incorporation.
- ensuring that the value of the Shares/Units is calculated in accordance with applicable law and the management regulations/articles of incorporation.
- carrying out the instructions of the Management Company/the Fund unless they conflict with applicable law and the management regulations/articles of incorporation.
- ensuring that in transactions involving the assets of the Fund any consideration is remitted within the usual time limits.
- ensuring that the income of the UCITS is applied in accordance with applicable law and the management regulations/articles of incorporation.
- monitoring of the Fund's cash and cash flows.
- safe-keeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

### **Depositary's liability**

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Trusts and its Unitholders.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the UCITS Regulation, the Depositary shall

return financial instruments of identical type or the corresponding amount to the Trusts without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the Unitholders may invoke the liability of the Depositary directly or indirectly through the Trusts provided that this does not lead to a duplication of redress or to unequal treatment of the Unitholders.

The Depositary is indemnified by the Trusts against all liabilities suffered or incurred by the Depositary by reason of the proper performance of the Depositary's duties under the terms of the Depositary Agreement save where any such liabilities arise as a result of the Depositary's negligence, fraud, bad faith, wilful default or recklessness of the Depositary or the loss of financial instruments held in custody.

The Depositary will be liable to the Trusts for all other losses suffered by the Trusts as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

## **Delegation**

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are contained in Appendix i to the Prospectus.

## **Conflicts of Interest**

The Depositary is part of an international group of companies and businesses ("**State Street**") that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of

interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Trusts;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Trusts either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and, except as required by law, are not bound to disclose to, the Trusts, any such profits or compensation in any form including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit earned by affiliates of the Depositary or the Depositary when acting in any other capacity;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Trusts;
- (iv) may provide the same or similar services to other clients including competitors of the Trusts and the fee arrangements it has in place will vary;
- (v) may be granted creditors' and other rights by the Trusts, e.g. indemnification which it may exercise in its own interest. In exercising such rights the Depositary or its affiliates may have the advantage of an increased knowledge about the affairs of the Trusts relative to third party creditors thus improving its ability to enforce and may exercise such rights in a way that may conflict with the Trust's strategy.

The Trusts may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Trusts. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Trusts. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit. The affiliate shall enter into such transactions on the terms and conditions agreed with the Trusts. The Depositary will not, except as required by law, disclose any profit made by such affiliates. Where cash belonging to the Trusts is deposited with an affiliate being a bank, cash is not segregated from its own assets and a potential conflict arises in relation to the interest (if any)

which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker.

The Fund Manager may also be a client or counterparty of the Depositary or its affiliates and a conflict may arise where the Depositary refuses to act if the Fund Manager directs or otherwise instructs the Depositary to take certain actions that might be in direct conflict with the interests of the investors in a Trust.

The types and levels of risk that the Depositary is willing to accept may conflict with the Trust's preferred investment policy and strategy.

Potential conflicts that may arise in the Depositary's use of sub-custodians include five broad categories:

(1) Our global custodian and subcustodians seek to make a profit as part of or in addition to their custody services. Examples include profit through the fees and other charges for the services, profit from deposit taking activities, revenue from sweeps and repo arrangements, foreign exchange transactions, contractual settlement, error correction (where consistent with applicable law) and commissions for sale of fractional shares;

(2) The Depositary will typically only provide depositary services where global custody is delegated to an affiliate of the Depositary. Our global custodian in turn appoints a network of affiliated and non-affiliated subcustodians. Multiple factors influence the determination of our global custodian to engage a particular subcustodian or allocate assets to them, including their expertise and capabilities, financial condition, service platforms and commitment to the custody business as well as the negotiated fee structure (which may include terms that result in fee reductions or rebates to the global custodian), significant business relationships and competitive considerations;

(3) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests and the fee arrangements they have in place will vary;

(4) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and

Information Classification: Limited Access

(5) sub-custodians may have creditors' rights against client assets and other rights that they have an interest in enforcing.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Trust and its Unitholders.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest to be properly identified, managed and monitored. Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians. The Depositary make available frequent reporting on clients' activity and holdings, with the underlying subcustodians subject to internal and external control audits. Finally, the Depositary internally segregates the Trust's assets from the Depositary's proprietary assets and follows a Standard of Conduct that requires employees to act ethically, fairly and transparently with clients.

#### **Global Conflicts of Interest policy**

State Street has implemented a global policy laying down the standards required for identifying, assessing, recording and managing all conflicts of interest which may arise in the course of business. Each State Street business unit, including the Depositary, is responsible for establishing and maintaining a Conflicts of Interest Program for the purpose of identifying and managing organizational conflicts of interest that may arise within the business unit in connection with providing services to its Clients or in delivering its functional responsibilities.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Unitholders on request.

#### **8. The Investment Adviser**

The Investment Adviser to the Trusts is State Street Global Advisors Limited.

State Street Global Advisors Limited is authorised by the FCA in the conduct of its investment business. Its registered office is at 20 Churchill Place, Canary Wharf, London E14 5HJ.

The Investment Adviser and the Manager have entered into an agreement that, amongst other things:

- provides for the appointment of the investment adviser to advise and invest on behalf of the trusts (the “Portfolios”); and
- provides the investment adviser with the authority to make purchases and sales of investments on behalf of the Portfolios; and
- requires the investment adviser to manage the Portfolios in accordance with the relevant regulations, the Trust Deeds and this Prospectus;
- provides for the remuneration of the investment adviser;
- details the banking, meeting, voting and reporting arrangements.

Barring any breach of contract, the current agreement with State Street Global Advisors Limited is on a rolling 3-month contract.

In addition to acting as Investment Adviser to the Trusts, State Street Global Advisors Limited conducts other fund management business including:

- Retail fund management
- Alternative investments
- Institutional fund management

## **9. The Auditor**

The auditors of the Trusts are:

Deloitte LLP  
1 New Street Square  
London EC4A 3HQ

## **10. The Registrar**

The Registrar is Family Investment Management Limited, whose registered office is 16 West Street, Brighton, East Sussex, BN1 2RE.

The register of holders of units in the Trusts is held and may be inspected at the address stated above.

## 11. Charges and Expenses

### 11.1 Management Charges

The Manager is also entitled under the Deeds to make an annual management charge as specified in the table below (plus VAT if any) based on the value of the property of the Trust in each case. The management charge is calculated using the previous month-end, mid-market valuation of each Trust. The charge accrues daily over the current month and is paid monthly in arrears out of the property of the Trust.

The annual management charge prevailing at the time of publication of this Prospectus is indicated in bold text in the table below. At the time of publication, the annual management charge is not subject to VAT.

| <b>Trust</b>                        |  |  | <b>Current Annual Management Charge %</b> |  |
|-------------------------------------|--|--|---|--|
| Family Asset Trust                  |  |  | <b>1</b>                                  |  |
| Family Charities Ethical Trust      |  |  | <b>1.5</b>                                |  |
| Family Investments Child Trust Fund |  |  | <b>1.5</b>                                |  |

Any increase to a Management Charge requires 60 days' prior notice to unit holders.

The Manager is also able to make a redemption charge but does not currently do so.

### 11.2 Depositary Charges

The Trust Deeds governing the Trusts permit the Depositary to be paid by way of remuneration out of the Manager's periodic charge or the property of the Trust, a periodic charge (plus VAT) at rates to be agreed with the Manager from time to time in accordance with the Regulations. The current rate of the Depositary's periodic charge in respect of the Trusts is 1.25 basis point per annum for £0 to £200 million, 1 basis point over £200 million to £400 million and 0.75 basis point for over £400 million. The fee is calculated on the net asset value per Trust and there is a minimum fee of £8,000 per Trust per year. Value Added Tax on the amount of the periodic charge will be paid out of the Trust in addition. The periodic

charge payable to the Depositary shall be calculated accrued and paid on the same basis as the Manager's periodic charge.

In addition to the Depositary periodic charge, the Depositary may also be paid by way of remuneration out of the Manager's periodic charge or the property of the Trust the amount of any bank or other charges (including transaction charges) charged by it in relation to the safe custody, insurance, acquisition, holding or realisation of any investment forming part of the property of the Trusts, collection of income or capital or any deposit or loan. The custody of the assets is delegated to State Street Bank and Trust Company ("SSBTC").

For the Family Asset Trust, the Depositary's fees are taken from the property of the Trust.

For the Family Charities Ethical Trust and the Family Investments Child Trust Fund, Depositary's fees are paid by the Manager.

In addition, the Depositary is entitled to be reimbursed for expenses properly incurred by it in performing its duties as Depositary. The duties in respect of which the Depositary is entitled to reimbursement of expenses include the following:

- telex communications;  
custody, insurance, holding, acquisition, realisation, settlement or registration of any investment, forming part of the property of the Trust;
- making deposits or loans authorised by the Regulations, other than those deposits made each day in the normal course of business;
- communicating with unitholders, the Manager, the Registrar or any other person in relation to the property of the Trust, other than those communications made each day in the normal course of business;
- collection of income or capital;
- preparation of the Depositary's annual report;
- calling unitholders' meetings;

- exercising rights to any assets;
- attending any meetings relating to any assets;
- handling borrowings or other permitted transactions;
- obtaining advice including (without limitation) legal and accountancy advice; conducting legal proceedings;
- carrying out administration relating to the Trust, other than that which is carried out in the normal course of business;
- carrying out necessary duties in relation to settlement systems;
- supervision of certain activities of the Manager;
- such other duties as the Depositary is required by law to perform,

and in each such case expenses and disbursements will also be payable if any such duty is carried out by an associate or nominee of the Depositary.

For the Family Asset Trust, the Depositary's expenses will be paid out of the property of the Trust.

For the Family Charities Ethical Trust and the Family Investments Child Trust Fund, the Depositary expenses are paid by the Manager.

### **11.3 Custody Charges**

The custody of assets has been delegated by the Depositary to State Street Bank and Trust Company. The charges and expenses payable to the custodian will be subject to agreement between the Depositary, Manager and State Street Bank and Trust Company (subject to the Regulations) from time to time. As custodian of the Trusts' property, State Street Bank and Trust Company will be paid a custody fee, other transaction and bank charges plus VAT (if any) together with out of pocket expenses. Custody charges vary from country to country depending on the markets and the value of the stock involved and currently range from 0.0015% to 0.03%.

The rates of remuneration may, in respect of each Trust, be subject to a minimum annual charge not exceeding £30,000.

For the Family Asset Trust, Custody Fees are accrued weekly in arrears and paid monthly in arrears from the property of the Trust. In the case of the Family Charities Ethical Trust and Family Investments Child Trust Fund, Custody Fees are paid by the Manager. VAT is not currently payable.

#### **11.4 Transaction Charges**

Transaction charges vary from country to country, dependent on the markets and the value of the stock involved and currently range from £6 to £20 per transaction for the Family Asset Trust. Transaction Charges are accrued weekly and paid monthly in arrears on an actual basis from the capital of the Trust. In the case of the Family Charities Ethical Trust and Family Investments Child Trust Fund, Transaction Charges are paid by the Manager.

As a capital expense, the deduction of Transaction Charges will constrain capital growth.

#### **11.5 Other Expenses of the Trusts**

For the Family Asset Trust, the following expenses may be paid out of the property of the Trust:

- a) interest on borrowings permitted under the Trust and charges incurred in negotiating, effecting or terminating or in negotiating or varying terms of such borrowings; and
- b) any costs incurred in modifying the Trust Deed including costs incurred in respect of meetings of holders convened for such purpose where the modification is:
  - i) necessary to implement any change in the law (including changes made by the Regulations or other regulations made under the Act); or
  - ii) necessary as a direct consequence of any change in the Regulations; or
  - iii) expedient having regard to any change in the law made by or under any fiscal enactment in which the Manager and the Depositary agree is in the interests of the

holders; or

- iv) to remove obsolete provisions from the Trust Deed; and
- c) any costs incurred in respect of meetings of holders convened on a requisition by holders not including the Manager or an associate of the Manager; and
- d) the audit fees and any expenses of the Auditors (plus VAT); and
- e) the fees of the FCA under the Fees Manual and any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which units in the Trust are or may be marketed; and
- f) the proceeds of any cancellation of units; and
- g) liabilities on unitisations, amalgamation or reconstruction when certain conditions set out in the Regulations apply.
- h) Registrar Fees, payable to the Registrar, in relation to establishing and maintaining the Register of such amount, as agreed in writing from time to time between the Depositary and the Registrar on the following basis:
  - i) the monthly fee of the Registrar (“The Fee”) shall accrue on the last business day of each month and shall be calculated by reference to an agreed rate for each holder on the Register on the basis of the holder of units entered on the Register at the close of business on the last business date of the relevant calendar month and it shall be paid on or as soon as practicable after it has accrued;
  - ii) joint holders shall be treated as one holder;
  - iii) a holder holding more than one type of unit shall be treated as if he were a separate holder in respect of each type of unit held by him;
  - iv) the Fee shall include the cost of supplying and addressing one complete set of envelopes to holders in respect of each of the half yearly statements and the cost arising in connection with not more than two income allocations per annum on units

including, without limitation, the issue of necessary tax vouchers;

v) should there be more than two income allocations in any one year ending on the accounting reference date of the Trust, the Fee shall be adjusted on a basis agreed between the Depositary and the Registrar;

vi) in respect of any other service, other than establishing and maintaining the said Register which is performed by the Registrar and shall be entitled to such reasonable remuneration as may be agreed between the Depositary and the Registrar;

vii) the Registrar shall be entitled to recover from the Scheme Property of the Trust all expenses properly incurred by the Registrar in connection with the performance of its obligations hereunder including but without prejudice to the generality of the foregoing costs of postage, telephone calls, books, files, stationary, printing, legal expenses and insurance but excluding any contributions to the other overhead expenses of the Registrar, unless otherwise agreed between the Manager and the Registrar;

viii) the Fee currently ranges between £15-£20 per unit trust per annum for each holder and shall not exceed £30 per unit trust per annum.

i) VAT on all fees and expenses where applicable.

For all Trusts, the following expenses may be paid out of the property of the Trusts:

- a) broker's commission, fiscal charges and other disbursements which are necessary to be incurred in reflecting transactions for each Trust, and normally shown in contract notes, confirmation notes and difference accounts as appropriate; and
- b) taxation and duties payable in respect of the property of the Trust, the Trust Deed or the issue of units;

Any change to the list of expenses in section 11.5 will be, effected in accordance with the Regulations. Also see Section 14, Meetings of Unit Holders.

All of the above charges and expenses are taken from either the capital or income of the Trusts in accordance with the Regulations. Where a charge or expense is normally deducted

from income, and the income available is insufficient, an amount will be deducted from capital. If a deduction is made from capital, this will constrain capital growth.

## **12. Valuations and Dealing**

### **12.1 Unit Prices**

The prices of units in the Trusts are determined in accordance with the Regulations. The valuation point for the Trusts is 10.00 am on each dealing day. Dealing days are each day that is a business day in London.

The Family Asset Trust is a “dual priced” unit trust. At each valuation point, the Manager will calculate an “offer price” (buying price) at which units will be issued by the Manager; and a “bid price” (selling price) at which units will be redeemed by the Manager. The difference between the bid price and the offer price is called the bid-offer spread.

The “offer price” will not exceed the total of the creation price and any preliminary charge as specified in section 11.1. The “bid price” will not be less than the cancellation price.

The Family Charities Ethical Trust and the Family Investments Child Trust Fund are “single priced” unit trusts. At each valuation point, the Manager will calculate a single “mid price” at which units will be both issued by the Manager and redeemed by the Manager.

### **12.2 Valuation**

The property of each Trust will be valued in accordance with and on assumptions set out in regulations made under Section 247 of the Act, as amended from time to time.

#### Dual Priced Trusts

For the Family Asset Trust valuation will be in two parts: one on a creation basis, which will form the basis of the price at which units are issued (sale price); the other on a cancellation basis, which will form the basis of the price at which units are cancelled (redemption price). The Manager is able to set a dealing spread between the issue and cancellation prices, and to determine where dealing prices should lie within a range between the sale price and the redemption price.

### Value of the property of a Dual Priced Trust

The Manager must prepare each valuation on two bases, reflecting the differing bid and offer valuations of underlying assets where it is normal for such differences to be quoted.

The value of the property of the Trust must be valued at fair value and shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

All the property of the Trust (including receivables) is to be included, subject to the following provisions.

Property which is not cash (or other assets dealt with below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

Units or shares in a collective investment scheme:

- if a single price for buying and selling units or shares is quoted, at that price (plus dealing costs) for valuations on a creation basis and at that price (less dealing costs) on a cancellation basis; or
- if separate buying and selling prices are quoted, at the most recent maximum sale price less any expected discount (plus dealing costs) when valuing on a creation basis and the most recent minimum redemption price (less dealing costs) when valuing on a cancellation basis; or
- if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, or if the most recent price available does not reflect the Manager's reasonable estimate of the value of the units or shares, at a value which, in the opinion of the Manager, is fair and reasonable.

Any other transferable security:

- if a single price for buying and selling the security is quoted, at that price (plus dealing costs) for valuations on a creation basis and at that price (less dealing costs) on a cancellation basis; or

- if separate buying and selling prices are quoted, at the best available market dealing offer prices on the most appropriate market in a standard size (plus dealing costs) for valuations on a creation basis and best available market dealing bid price on the most appropriate market in a standard size (less dealing costs) for valuations on a cancellation basis; or
- if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists, or if the most recent price available does not reflect the Manager's reasonable estimate of the value of the security, at a value which, in the opinion of the Manager, is a fair and reasonable estimate of a buyer's price (plus dealing costs) for valuations at creation and a fair and reasonable estimate of a seller's price (less dealing costs) for valuations at cancellation.

Property other than units or shares in a collective investment scheme and other transferable securities; at a value which, in the opinion of the Manager, is a fair and reasonable estimate of a buyer's price (plus dealing costs) for valuations at creation and a fair and reasonable estimate of a seller's price (less dealing costs) for valuations at cancellation.

Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values for valuations on both a creation and cancellation basis.

Property which is a contingent liability transaction shall be treated as follows:

- if a written option, (and the premium for writing the option has become part of the scheme property), deduct the amount of the net valuation of premium receivable on both a creation and cancellation basis. If the Property is an off-exchange derivative the method of valuation shall be agreed between the Manager and Depositary;
- if an off-exchange future, include at the net value of closing out in accordance with a valuation method, on both a creation and cancellation basis, agreed between the Manager and the Depositary;
- if any other form of contingent liability transaction, include at the net value of margin on closing out (whether as a positive or negative value) on both a creation and

cancellation basis. If the property is an off-exchange derivative, include at a valuation method agreed between the Manager and the Depositary.

In determining the value of the property of the Trust, all instructions given to issue or cancel units shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

Subject to the next two paragraphs below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission will not materially affect the final net asset amount.

Futures or options contracts which are not yet due to be performed, and written or purchased options which have not expired or been exercised, shall not be included in the above paragraph. All agreements are to be included under the above paragraph which are, or ought reasonably to have been, known to the person valuing the property.

Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax (both realised and unrealised gains), income tax, corporation tax, value added tax and any other fiscal charge not covered under this deduction.

Deduct an estimated amount for any liabilities payable out of the Trust property and any tax thereon treating periodic items as accruing from day to day.

Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.

Deduct the value of any option written (if the premium for writing the option has become part of the scheme property).

Deduct, in the case of a margined contract, any amount reasonably anticipated to be paid by way of variation margin (that is the difference in price between the last settlement price,

whether or not variation margin was then payable, and the price of the contract at the valuation point).

Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.

Add any other credits or amounts due to be paid into the property of the Scheme.

Add, in the case of a margined contract, any amount reasonably anticipated to be received by way of variation margin (that is the difference in price between the last settlement price, whether or not variation margin was then receivable, and the price of the contract at the valuation point).

Currencies or values in currencies other than Sterling shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of unitholders or potential unitholders.

Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

### Single Priced Trusts

The Family Investments Child Trust Fund and the Family Charities Ethical Trust are Single Priced Unit Trusts and are valued on a mid basis. The price at which a Unit is created, issued, redeemed or cancelled shall be a single price, such price to be determined in accordance with the Regulations.

### Value of the property of a Single Priced Trust

The value of the property of the Trust must be valued at fair value and shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

All the property of the Trust (including receivables) is to be included, subject to the following provisions.

Property which is not cash (or other assets dealt with below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

Units or shares in a collective investment scheme:

- if a single price for buying and selling units or shares is quoted, at that price; or
- if separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
- if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, or if the most recent price available does not reflect the Manager's best estimate of the value of the units or shares at the valuation point, at a value which, in the opinion of the Manager, is fair and reasonable.

Any other transferable security:

- if a single price for buying and selling the security is quoted, at that price; or
- if separate buying and selling prices are quoted, at the average of the two prices; or
- if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists, or if the most recent price available does not reflect the Manager's best estimate of the value of the security, at a value which, in the opinion of the Manager, is fair and reasonable.

Property other than units or shares in a collective investment scheme and other transferable securities; at a value which, in the opinion of the Manager, represents a fair and reasonable mid market price.

Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.

Property which is a contingent liability transaction shall be treated as follows:

- if a written option, (and the premium for writing the option has become part of the scheme property), deduct the amount of the net valuation of premium receivable. If the Property is an off-exchange derivative the method of valuation shall be agreed between the Manager and Depositary;

- if an off-exchange future, include at the net value of closing out in accordance with a valuation method agreed between the Manager and the Depositary;
- if any other form of contingent liability transaction, include at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative, include at a valuation method agreed between the Manager and the Depositary.

In determining the value of the property of the Trust, all instructions given to issue or cancel units shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

Subject to the next two paragraphs below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission will not materially affect the final net asset amount.

Futures or options contracts which are not yet due to be performed, and written or purchased options which have not expired or been exercised, shall not be included in the above paragraph. All agreements are to be included under the above paragraph which are, or ought reasonably to have been, known to the person valuing the property.

Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax (both realised and unrealised gains), income tax, corporation tax, value added tax and any other fiscal charge not covered under this deduction.

Deduct an estimated amount for any liabilities payable out of the Trust property and any tax thereon treating periodic items as accruing from day to day.

Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.

Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.

Add any other credits or amounts due to be paid into the property of the Scheme.

Currencies or values in currencies other than Sterling shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of unitholders or potential unitholders.

Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

### **12.3 Dealing Prices**

The Manager will execute deals with all investors on a 'forward' basis, that is, at prices calculated with reference to the next valuation of the property of the Trust. Orders received prior to 10.00 am will receive that same day's price and orders received subsequently will be held over until the next valuation point.

### **12.4 Buying Units**

The Manager will receive requests for the purchase of units, in writing, on normal business days and during normal business hours, which are deemed to be 09.00 to 17.00 hours, subject to the minimum investment amounts specified in section 12.6 below. Applications should be accompanied by funds made payable to Family Investment Management Limited for such number or value of units as required. The Manager will issue a written confirmation of any lump sum transaction and despatch it no later than the business day following the day the transaction was executed.

### **12.5 Redemption of Units**

The Manager will receive requests for the redemption of units, in writing, on normal business days and during normal business hours, which are deemed to be 09.00 to 17.00 hours. Any number of units may be redeemed by a registered holder, but if the redemption is not for an entire holding then the value of balance retained should not be less than the minimum investment amount specified in the table below. Payments in settlement of any redemption will be dispatched by the Manager no later than close of business on the fourth day after the deal was executed, in accordance with the Regulations.

In specie settlement may be arranged at the discretion of the Manager

## 12.6 Minimum Investment Table:

| Trust                               | Lump Sum |                       | Regular Investment | Minimum Redemption | Minimum Holding Post Redemption |
|-------------------------------------|----------|-----------------------|--------------------|--------------------|---------------------------------|
|                                     | Initial  | Subsequent Investment |                    |                    |                                 |
| Family Asset Trust                  | £100,000 | £50                   | £30                |                    | £500                            |
| Family Charities Ethical Trust      | £100,000 | £50                   | £30                |                    | £500                            |
| Family Investments Child Trust Fund | £100,000 | £100,000              | N/A                | £500               | £100,000                        |

## 12.7 Best Execution Policy

The Manager is required to take all reasonable steps to obtain the best possible result for investors when executing instructions to buy or sell units, taking into account price, cost, speed, likelihood of execution and settlement, size, nature or any other relevant consideration. This obligation is known as the duty of “best execution”. The Manager operates a best execution policy, which aims to ensure that investor instructions are carried out as effectively and beneficially as possible in adherence to Terms and Conditions. Third party ‘trading platforms’ are not used to execute investor instructions, all trading is done directly with the Manager, which in regulatory terms means that the trades are executed outside of a regulated market or multilateral trading facility. The policy is regularly monitored for effectiveness and any necessary changes are implemented if and when required. Any material change to the policy will be notified to investors.

Dealing on behalf of the scheme is undertaken by our external investment adviser State Street Global Advisers, their policy is detailed in section 20 of this document.

## 12.8 Suspension of Dealing in Units

Redemption of units may be suspended by the Manager with the prior agreement of the Depositary or if the Depositary so requires at any time if the Manager or the Depositary, as appropriate, are of the opinion that there is a good and sufficient reason to do so having regard

to the interests of the holders. Upon suspension of redemption of units, the Manager will cease issuing units.

The Manager will ensure that notification of the suspension is made to unitholders of the Trust as soon as practicable after suspension commences.

The notification will provide details regarding the exceptional circumstances which resulted in the suspension and how to obtain sufficient details to keep unitholders appropriately informed about the suspension including, if known, its likely duration.

The Manager in consultation with the Depositary must formally review the suspension at least every 28 days and then report back to the FCA.

### **12.9 Mandatory redemption or cancellation of Units**

The Manager may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no units are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory. In this connection the Manager may, inter alia, reject in its discretion any application for the purchase, sale or switching of units.

If the Manager reasonably believes that any units are owned directly or beneficially in circumstances which:

1. constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
2. may (or may if other shares are acquired or held in like circumstances) result in the Fund incurring any liability to taxation or suffering any other adverse consequences (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory);

it may give notice to the holder of such units requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request the redemption of the units by the Depositary, on behalf of the Trust. If the holder does not either transfer the units to a qualified person or establish to the Manager's satisfaction that he or she and any person on whose behalf he or she holds the units are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a thirty-day period to have requested their redemption.

### **12.10 Prices and Yield**

The buying and selling prices and the yields of all of the Trusts will be available through the Trustnet website [www.trustnet.com](http://www.trustnet.com). These prices are listed under the title “Family Investment Management”. The buying and selling prices are also available on the OneFamily website [www.onefamily.com](http://www.onefamily.com), or they can be obtained by telephoning the OneFamily Customer Services Team on 0344 8 920 920. The cancellation price last notified to the Depositary is available on request.

### **12.11 Manager’s Right to Deal in Units and Rights to Profits**

The Manager is under no obligation to account to the Depositary or to the unitholders for any profit made by the Manager on the issue of units or on the re-issue or cancellation of units that the Manager has redeemed. The Manager does not currently run a box.

In fact, the Manager, Depositary, any associate of those persons, or the auditor of the Trusts (each, an “affected person”) is not liable to account to another affected person or to the unitholders of any Trust for any profits or benefits it makes or receives that are made or derived from or in connection with:

- (1) dealings in the units of a Trust; or
- (2) any transaction in scheme property; or
- (3) the supply of services to the Trust.

However, such profits will be paid into the Trust

The Manager must identify potential conflicts of interest that exist in the business in order to adopt measures to monitor, manage and control the realisation of those conflicts. Potential conflicts of interest may arise through the interaction of the different capacities in which the Manager or the entities to which are delegated certain activities, act.

The Manager does not provide an extensive range of investment services and as such the potential for a conflict of interest occurring as a result of other group interests conflicting with the Manager is low. In the unlikely event that a conflict of interest occurs, the Manager will manage it to ensure that all customers are treated consistently and fairly and to minimise any possible negative effect this could have on customers.

### **12.12 Large Deals**

“Large Deals” are defined as those for value in excess, of £15,000.

The Manager may make provision for large deals to be carried out at a higher sale price or a lower redemption price than those published, provided they do not exceed the relevant maximum and minimum parameters. The Manager does not currently use this provision.

### **13. Dilution (Family Charities Ethical Trust and Family Investments Child Trust Fund only)**

The Family Charities Ethical Trust and Family Investments Child Trust Fund are single priced unit trusts. The basis on which these funds are valued is explained in section 12.2 of this prospectus. However, the actual cost of purchasing or selling assets and investments for the Family Charities Ethical Trust and Family Investments Child Trust Fund may deviate from the mid-market value used in calculating the unit price, due to dealing charges, taxes, and any spread between buying and selling prices of the investments. These costs have an adverse effect on the value of the fund, known as “dilution”. As dilution is directly related to the inflows and outflows of monies from the scheme it is not possible to accurately predict whether dilution will occur at any future point in time.

FCA rules allow the cost of dilution to be met directly from the fund’s assets or to be recovered from investors on the purchase or redemption of units in a fund. This can be done by charging a dilution levy or by applying a dilution adjustment. A dilution levy is a separate charge for the purpose of reducing the effect of dilution. A dilution adjustment is an adjustment to the price for the purposes of reducing dilution. In the case of the Family Investments Child Trust Fund and Family Charities Ethical Trust, the Manager has decided not to apply a dilution levy or make a dilution adjustment. This policy may have the effect of reducing the future growth of the scheme.

The Manager may alter its current dilution policy either by unitholder consent pursuant to the passing of a resolution to that effect at a properly convened meeting of unitholders and by amending this Prospectus or by giving unit holders notice and amending the Prospectus 60

days before the change to the dilution policy is to take effect. Also see Section 14, Meetings of Unit Holders.

If the Manager decides in the future to charge a dilution levy on all deals (and not just on large deals), it will be calculated by reference to the costs of dealing in the underlying investments, including any dealing spreads, commission and transfer taxes.

#### **14. Meetings of Unit Holders**

The convening and conduct of meetings of holders and the voting rights of holders at such meetings is governed by the rules contained in the Regulations, as amended from time to time. The requirement for a meeting depends on the proposed change to the Trust.

Changes to a Trust's operation fall within one of the following three categories:

1. Fundamental events which change the purpose or nature of the Trust or the basis on which the investor invested, for example changes to an investment objective, its risk profile or something that would cause material prejudice to the investors would require investor approval.
2. Significant events are those which would materially affect an investor's investment, affect a unitholder's ability to exercise his rights in relation to this investment, result in increased payments out of the Trust, or could reasonably be expected to cause investors to reconsider their participation in the Trust. Those should be notified pre-event to investors and in sufficient time to enable them to leave the Trust, if they wish, before the change takes effect. 60 days minimum notice is required for these changes.
3. Notifiable events for which the Manager would decide when and how the investor should be notified, depending on the type of event. In these cases, notification could be after the event.

## **15. Voting Rights**

The quorum required to conduct business at a meeting of unitholders is two unitholders, present in person or by proxy.

At a meeting of unitholders an extraordinary resolution put to the vote shall be decided on a show of hands (unless a poll is demanded before or on the declaration of the results of the show of hands). On a show of hands every holder who (being an individual) is present in person or by proxy (or being a corporation) is present by a representative as its proxy shall have one vote. A declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

A poll may be demanded by the Chairman, by the Depositary or by one or more holders present in person or by proxy and holding or representing one twentieth of the units for the time being in issue. If a poll is duly demanded it shall be taken in such a manner as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

On a poll, votes may be given either personally or by proxy. The voting rights for each unit is the proportion of the voting rights attached to all of the units in issue that the price of the unit bears to the aggregate price or prices of all the units in issue. A holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes in the same way. On a poll votes may be given either personally or by proxy.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken at such time and place as the Chairman directs.

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

The holder of units which is a corporation may authorise such person as it thinks fit to act as its representative at any meeting of holders and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual holder.

In the case of joint holders, the vote of the most senior who votes, whether in person or by proxy, must be accepted to the exclusion of the other joint holders. Seniority must be determined by the order in which the names appear in the Register.

An instrument of proxy may be in the usual common form or in any other form, which the Depositary shall approve, executed under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under the common seal or under the hand of an officer or attorney so authorised. A person appointed to act as a proxy need not be a holder.

## **16. Taxation**

The taxation position described below is based upon current law and practice, and it may be subject to change at any time. Any unitholder who is uncertain about their tax position in relation to acquiring, holding or disposing of units in the Trust should seek independent professional advice.

Each Trust is subject to corporation tax as if it were a UK company, at the lower rate of income tax\*. The Trust is not taxed on dividends (franked investment income) that it receives from companies. It may, however, be taxed on other sources of income. Other UK source income will be received gross (without deduction of income tax). Income from overseas will generally be received net of overseas withholding tax. The Depositary reclaims overseas tax credits where possible. The Trust will be exempt from tax on chargeable gains.

\* Currently, Corporation tax is not payable by any of the trusts. For the foreseeable future, deductible management expenses will exceed taxable income meaning no corporation tax is likely to be paid by these trusts.

### **16.1 The International Tax Compliance Regulations**

The Manager is required to comply with the International Tax Compliance Regulations. The regulations transpose into UK law rules and obligations derived from European Union law and inter-governmental agreements entered into by the UK which is aimed at increasing transparency and reducing tax evasion.

This includes implementing obligations arising under the following agreements and arrangements: European Union Council Directive 2011/16/EU (sometimes known as “the DAC”); the Multilateral Competent Authority Agreement on the Automatic Exchange of

Financial Account Information signed by the government of the UK on 29 October 2014 in relation to agreements with various jurisdictions to improve international tax compliance based on the standard for automatic exchange of financial account information developed by the Organisation for Economic Co-Operation and Development (sometimes known as “the CRS”; and the agreement reached between the government of the UK and the government of the USA to improve tax compliance (sometimes known as “the FATCA Agreement”).

## **17. Winding up the Trust**

On the happening of any of:

- a) the revocation of the order declaring the Trust to be an authorised unit trust; or
- b) the FCA determining to revoke the order declaring the Trust to be an authorised unit trust scheme albeit subject to there being no material change in any relevant factor at the request of the Manager or the Depositary and acceding to that on the conclusion of the winding-up of the Trust; or
- c) the expiry of any period specified in the Trust Deed as the period at the end of which the Trust is to terminate; or
- d) the effective date of a duly approved scheme of arrangement or reconstruction,

the Depositary shall cease the creation and cancellation of units in the Trust, the Manager shall cease the issue and redemption of units in the Trust and the Depositary shall proceed to wind up the Trust.

Upon the passing of an extraordinary resolution approving the amalgamation or reconstruction of the Trust with another body or scheme the Depositary shall wind up the Trust in accordance with that resolution or the terms of the approved amalgamation or reconstruction. In any other case, the Depositary shall as soon as practicable after the Trust falls to be wound up, realise the property of the Trust and, after paying out all liabilities properly so payable and retaining provision for the costs of the winding up, distribute the proceeds of that realisation to the holders and the Manager (upon production by them by evidence as to their entitlement thereto) proportionately as to their respective interests in the Trust. Any unclaimed net proceeds or other cash held by the Depositary after the expiration

of 12 months from the date on which the same became payable shall be paid by the Depositary into court subject to the Depositary having a right to retain any expenses incurred by it in making and relating to that payment into court.

## 18. Risks

The risks associated with investing in the Trusts are detailed in the table below:

|                    |  |
|--------------------|--|
| Capital Risk       | The value of your investment, and any income from it, may fall as well as rise and the amount paid out may be less than the amount invested.   |
| Inflation Risk     | Over time, prices will generally rise reducing the real value of any investment growth. This means that you may not be able to buy as much in the future with the proceeds of your investment as you could do today.   |
| Cancellation risk  | If you cancel, and the value of your investment has fallen, you may not get back a full refund of the amount you invested. Instead, you will receive the amount you invested less the fall in value.   |
| Tax risk           | Tax law may change and your liability to tax will depend upon your individual circumstances.   |
| Market Risk        | The value of investments in the Trusts could fall simply because of economic changes or other events that impact large portions of a market.   |
| Exchange Rate Risk | Where a Trust invests in overseas equities and fixed interest securities that are priced in the local currency, changes in exchange rates may affect the value of that Trust.  |
| Interest Rate Risk | Changes in interest rates may affect the performance of fixed interest securities: <ul style="list-style-type: none"> <li>• A fall in interest rates may result in a fall in the rates the Investment Adviser is able to secure on future securities purchased.</li> <li>• A rise (or the expectation of a rise) in interest rates may result in a decrease in the capital value of the securities the Trust currently holds.</li> </ul> |

|                     |   |
|---------------------|---|
|                     | The income from securities with a variable interest rate might fall if interest rates fall.   |
| Credit Risk         | A Trust may invest in Corporate Bonds. If the bond issuer becomes bankrupt, they may fail to repay capital and/or pay interest.   |
| Derivative Risk     | The Investment Advisor may employ derivatives solely for the purposes of Efficient Portfolio Management with the aim of reducing the risk profile of the Trusts   |
| Settlement Risk     | All investments in the Trusts are bought and sold through intermediaries known as brokers. It is possible that a broker will not deliver the investment (purchase) or cash (sale) after a transaction has been processed.   |
| Liquidity Risk      | Under certain circumstances, the Investment Advisor may be unable to sell the Trust's assets. This may adversely affect the value of the Trusts.  |
| Index-Related Risks | Where the benchmark index is rebalanced and the Trust in turn rebalances its portfolio to bring it in line with the benchmark index, any transaction costs (including any capital gains tax and/or transaction taxes) and market exposure arising from such portfolio rebalancing will be borne by the Trust (which may cause additional tracking error). Therefore, errors and additional ad hoc rebalances carried out by an index provider to a benchmark index may increase the costs of the Trust. |

## 19. Additional Information

The annual long report and accounts will be published within 4 months of the end of the relevant annual accounting period (interim report and accounts within 2 months of interim accounting period). The long reports are available from the Manager free of charge.

Copies of the instrument constituting the Trust, any amending instrument and the most recent annual and half yearly reports of the Trust, may be inspected at the offices of the Manager at 16 West Street, Brighton, East Sussex, BN1 2RE. One copy, per request, of those documents may be obtained from this address. Any Investor may also obtain on written request addressed to the manager's office the following supplemental information:

- a) the quantitative limits applying to the risk management of the Trust(s) in which they hold units;
- b) the methods used to calculate the limits referred to in (a) above; and
- c) details of any recent development of the risk and yields of the main categories of investment in respect of the Trust(s) in which they hold units.

You may have the right to cancel any investment you make into any of the Trusts. Details of the cancellation rights that apply to your investment can be found in the Simplified Prospectus that is sent to all applicants before the Manager can accept an investment. A copy of the Simplified Prospectus, for any of the Trusts, is available on request from the Manager.

Complaints relating to any of the Unit Trusts can be made to either the Manager, or the Depositary. If you do not receive a satisfactory response, you may be able to refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR

Should the Manager have occasion to serve notice on an Investor, it shall do so in writing sent to an address for service in the United Kingdom for the Investor(s) in question. Should there be no address for service in the United Kingdom for the Investor(s) in question, the Manger reserves the right to serve process upon such Investor in such manner as it deems fit in its absolute discretion.

### **19.1 Remuneration Policy:**

The Remuneration Policy of the Society sets out the policies and practices that are consistent with and promote sound and effective risk management. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or Trust Deeds and does not impair compliance with the Society's duty to act in the best interest of unitholders. The remuneration policy is in line with the business strategy, objectives, values and interests of the Society and the UCITS funds that it manages through its group entity Family Investment Management Limited, and of the investors in such UCITS funds, and includes measures to avoid conflicts of interest. It includes a description as to how remuneration and benefits are calculated and identifies those individuals responsible for awarding remuneration and benefits.

The details of the up-to-date Remuneration Policy, including but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for

Information Classification: Limited Access

awarding the remuneration and benefits, including the composition of the remuneration committee, is available at [www.onefamily.com](http://www.onefamily.com) , within the Society's Annual Report or a copy of the Annual Report can be requested free of charge from the Manager.

### **FTSE Trademark**

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## Appendix i

### List of Sub-Custodians

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at State Street Financial Center, One Lincoln Street, Boston, Massachusetts 02111, USA, with an office at 20 Churchill Place, Canary Wharf, London E14 5HJ, UK, whom it has appointed as its global sub-custodian.

At the date of this prospectus State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network as detailed below.

| Market                               | Subcustodian   |
|--------------------------------------|--|
| Albania                              | Raiffeisen Bank sh.a. Tirana   |
| Argentina                            | Citibank, N.A., Buenos Aires   |
| Australia                            | The Hongkong and Shanghai Banking Corporation Limited, Sydney  |
| Austria                              | UniCredit Bank Austria AG, Vienna  |
| Bahrain                              | First Abu Dhabi Bank, Manama   |
| Bangladesh                           | Standard Chartered Bank, Dhaka   |
| Belgium                              | BNP Paribas Securities Services, Paris (operating through the Paris office with support from its Brussels branch); via Intesa Sanpaolo S.p.A., Milan |
| Benin                                | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan  |
| Bermuda                              | HSBC Bank Bermuda Limited, Hamilton  |
| Federation of Bosnia and Herzegovina | UniCredit Bank d.d., Sarajewo  |
| Botswana                             | Standard Chartered Bank Botswana Limited, Gaborone   |
| Brazil                               | Citibank, N.A. - São Paulo Branch, São Paulo   |
| Bulgaria                             | Citibank Europe plc, Bulgaria Branch, Sofia  |
|                                      | UniCredit Bulbank AD, Sofia  |
| Burkina Faso                         | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan  |
| Canada                               | State Street Trust Company Canada, Toronto   |
| Chile                                | Banco de Chile, Santiago   |
| People's Republic of China           | HSBC Bank (China) Company Limited, Shanghai; (QFI scheme and CIBM)   |
|                                      | China Construction Bank Corporation, Beijing (QFI scheme and CIBM)   |
|                                      | HSBC Bank (China) Company Limited, Shanghai (B-share market only)  |
|                                      | Standard Chartered Bank (Hong Kong) Limited, Hong Kong (Stock Connect)   |

|                     |   |
|---------------------|---|
|                     | Standard Chartered Bank (Hong Kong) Limited<br>(Bond Connect )  |
| Clearstream         | Clearstream Banking S.A., Luxemburg   |
| Colombia            | Cititrust Colombia S.A. Sociedad Fiduciaria, Bogota   |
| Costa Rica          | Banco BCT S.A., San Jose  |
| Croatia             | Privredna Banka Zagreb d.d., Zagreb   |
|                     | Zagrebacka Banka d.d., Zagreb   |
| Cyprus              | Via BNP Paribas Securities Services, S.C.A., Athens (operating remotely to service the Cyprus market) |
| Czech Republic      | Československá obchodní banka, a.s., Prague   |
|                     | UniCredit Bank Czech Republic and Slovakia, a.s. Praha  |
| Denmark             | Skandinaviska Enskilda Banken AB (SEB), Copenhagen  |
| Egypt               | Citibank, N.A., Egypt, New Cairo  |
| Estonia             | AS SEB Pank, Tallinn  |
| Eswatini            | Standard Bank Eswatini Limited, Mbabane   |
| Euroclear           | Euroclear Bank, Brussels  |
| Finland             | Skandinaviska Enskilda Banken AB (publ), Helsinki   |
| France              | BNP Paribas Securities Services, Paris; via Intesa Sanpaolo S.p.A., Milan                             |
| Republic of Georgia | JSC Bank of Georgia, Tbilisi  |
| Germany             | State Street Bank International GmbH, Munich  |
|                     | Deutsche Bank AG, Frankfurt   |
| Ghana               | Standard Chartered Bank Ghana Plc, Accra  |
| Greece              | BNP Paribas Securities Services, S.C.A., Athens   |
| Guinea-Bissau       | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan   |
| Hong Kong           | Hongkong and Shanghai Banking Corporation Limited, Hong Kong  |
| Hungary             | Citibank Europe Plc, Hungarian Branch, Budapest   |
|                     | UniCredit Bank Hungary Zrt., Budapest   |
| Iceland             | Landsbankinn hf., Reykjavik   |
| India               | Deutsche Bank AG Investor Services, Mumbai  |
|                     | Citibank N.A., Mumbai   |
|                     | Hongkong and Shanghai Banking Corporation Limited, Mumbai   |
| Indonesia           | Standard Chartered Bank, Indonesia Branch, Jakarta  |
|                     | Deutsche Bank AG Securities Services, Jakarta   |
| Ireland             | via Euroclear Bank, Brussels  |
| Israel              | Bank Hapoalim B.M., Tel Aviv  |
| Italy               | Intesa Sanpaolo S.p.A., Milan   |
| Ivory Coast         | Standard Chartered Bank Côte d'Ivoire S.A., Abidjan   |
| Japan               | Mizuho Bank Limited, Tokyo  |
|                     | Hongkong and Shanghai Banking Corporation, Japan Branch, Tokyo  |
| Jordan              | Standard Chartered Bank, Shmeissani Branch, Amman   |
| Kazakhstan          | JSC Citibank Kazakhstan, Almaty   |
| Kenya               | Standard Chartered Bank Kenya Limited, Nairobi  |
| Republic of Korea   | Hongkong and Shanghai Banking Corporation Limited, Seoul  |
|                     | Deutsche Bank Securities Service, Seoul   |

|                 |   |
|-----------------|---|
| Kuwait          | First Abu Dhabi Bank, Kuwait City   |
| Latvia          | AS SEB Banka, Riga  |
| Lithuania       | SEB Bankas, Vilnius   |
| Luxembourg      | Clearstream Banking S.A., Luxembourg; via Euroclear Bank, Brussels  |
| Malawi          | Standard Bank Plc, Blantyre   |
| Malaysia        | Standard Chartered Bank Malaysia Berhad, Kuala Lumpur   |
| Mali            | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan   |
| Mauritius       | Hongkong and Shanghai Banking Corporation Limited, Ebene  |
| Mexico          | Banco Nacional de México, S.A. (Banamex) Global Securities Services, Mexico City  |
| Morocco         | Citibank Maghreb, Casablanca  |
| Namibia         | Standard Bank Namibia Limited, Windhoek   |
| Netherlands     | BNP Paribas Securities Services, Paris (operating through the Paris office with support from its Amsterdam branch); via Intesa Sanpaolo S.p.A., Milan |
| New Zealand     | Hongkong and Shanghai Banking Corporation Limited, Auckland   |
| Niger           | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan   |
| Nigeria         | Stanbic IBTC Bank Plc., Lagos   |
| Norway          | Skandinaviska Enskilda Banken Securities Services, Oslo   |
| Oman            | First Abu Dhabi Bank, Muscat  |
| Pakistan        | Deutsche Bank AG, Karachi   |
|                 | Citibank N.A., Karachi  |
| Panama          | Citibank, N.A., Panama City   |
| Peru            | Citibank del Perú, S.A., Lima   |
| Philippines     | Standard Chartered Bank, Philippines Branch, Manilla  |
| Poland          | Bank Handlowy w Warszawie S.A., Warsaw  |
| Portugal        | via Citibank Europe Plc, Dublin   |
| Qatar           | HSBC Bank Middle East Limited, Doha   |
| Romania         | Citibank Europe Plc, Dublin – Romania Branch, Bucharest   |
| Russia          | AO Citibank, Moscow   |
| Saudi Arabia    | HSBC Saudi Arabia Limited, Riyadh   |
|                 | FAB Capital, Riyadh   |
| Senegal         | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan   |
| Serbia          | UniCredit Bank Serbia JSC , Belgrade  |
| Singapore       | Citibank N.A., Citigroup Global Transaction Services, Singapore   |
| Slovak Republic | UniCredit Bank Czech Republic and Slovakia, a.s., Bratislava  |
| Slovenia        | UniCredit Banka Slovenija d.d., Ljubljana   |
| South Africa    | FirstRand Bank Limited, Johannesburg  |
|                 | Standard Chartered Bank Johannesburg Branch, Johannesburg   |

|   |   |
|---|---|
| Spain   | Citibank Europe Plc., Dublin  |
| Sri Lanka   | Hongkong and Shanghai Banking Corporation Limited, Colombo                                      |
| Republic of Srpska  | UniCredit Bank d.d., Sarajewo   |
| Sweden  | Skandinaviska Enskilda Banken AB, Stockholm   |
| Switzerland   | Credit Suisse (Switzerland) Limited, Zurich   |
|   | UBS Switzerland AG, Zurich  |
| Taiwan  | Standard Chartered Bank (Taiwan) Limited, Taipei  |
| Tanzania  | Standard Chartered Bank Tanzania Limited, Dar es Salaam   |
| Thailand  | Standard Chartered Bank (Thai) Public Company Limited, Bangkok                                  |
| Togo  | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan   |
| Tunisia   | Union Internationale de Banques, Tunis  |
| Turkey  | Citibank, A.Ş., Istanbul  |
| Uganda  | Standard Chartered Bank Uganda Limited, Kampala   |
| Ukraine   | JSC Citibank, Kyiv  |
| United Arab Emirates<br>DAbu Dhabi<br>Securities Exchange         | First Abu Dhabi Bank PJSC, Abu Dhabi  |
| United Arab Emirates -<br>Dubai<br>Financial Market               | First Abu Dhabi Bank PJSC, Abu Dhabi  |
| United Arab Emirates - Dubai<br>International<br>Financial Center | First Abu Dhabi Bank PJSC, Abu Dhabi  |
| United Kingdom  | State Street Bank and Trust Company, United Kingdom branch, Edinburgh                           |
| United States   | State Street Bank and Trust Company, Boston   |
| Uruguay   | Banco Itaú Uruguay S.A., Montevideo   |
| Vietnam   | Hongkong and Shanghai Banking Corporation Limited, Ho Chi Minh City                             |
| Zambia  | Standard Chartered Bank Zambia Plc., Lusaka   |
| Zimbabwe  | Stanbic Bank Zimbabwe Limited, Harare<br>(as delegate of Standard Bank of South Africa Limited) |

**State Street Global Advisors Limited**

**Best Execution Policy**

**Policy** State Street Global Advisors (the “Firm”) will take all sufficient steps to obtain, when executing orders or transmitting orders on your behalf, the best possible result, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to execution of the order (the “Best Execution Obligation”). We are not under an obligation to obtain the best result for each individual order, but we must comply with this policy and meet the Best Execution Obligation on a consistent basis.

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**Scope** This policy applies to all orders in relation to financial instruments (as defined in MiFID) executed or transmitted by the Firm for all Accounts.

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**Approach** The Firm seeks to maintain processes, which provide for the prompt, fair and expeditious execution of client orders taking into account the relevant circumstances and the nature of the instrument in question.

Please refer to the Annexes to this Best Execution Policy for information regarding the approach adopted by the Firm when executing orders in respect of different classes of financial instruments. Depending upon the nature of the order, the Firm may, subject to its duties of Best Execution, transmit an order to an affiliated entity or third party firm to be executed, in which case the order will be executed in accordance with such affiliate’s or third party firm’s best execution policy and applicable local market requirements and practices.

#### 4 Aggregation of orders

The Firm may aggregate orders in a manner that seeks to ensure orders are allocated in a manner that treats all accounts fairly and equitably over time. However, the effect of aggregation may operate to the advantage or disadvantage of a client in relation to a particular order, depending upon the circumstances.

#### 5 Use of third-parties and affiliates

If we transmit your order(s) to an affiliated or third party firm for execution we will exercise our judgment, skill and experience to determine the appropriateness and suitability of the relevant affiliate or third party firm.

The choice of third-party and affiliate firms will be determined by an ongoing assessment of their ability to support our best execution obligations to you.

Client orders executed using such arrangements are subject to monitoring and review in order to assess both the outcome of the order against this policy and the overall performance of the third -party or affiliate firm.

#### 6 Specific instructions

Whenever you have given us a specific instruction, including any Directed Brokerage instruction, regarding an order or an aspect of an order, we will execute or transmit such order or aspect thereof following your specific instruction. We will then apply this policy and take reasonable steps to obtain the best possible result for the elements of the order not subject to or limited by your instruction. Where you select a specific trading counterparty we may be limited in our ability to monitor and/or control the execution of your order and it is unlikely that we will have made an assessment as to the ability of the selected trading counterparty to achieve the best possible result for you. This depends upon the arrangements we have or can arrange with the relevant trading counterparty and we will be able to discuss this further with you.

#### 7 Publication of limit orders

Unless you instruct otherwise, MiFID requires the Firm to immediately make public details of any limit orders you place with us in respect of shares admitted to trading on a regulated market or traded on a trading venue for orders unless they are large in scale compared with normal market size (“unexecuted limit orders”) that are not immediately executed under prevailing market conditions. We believe that it is not always in your best interests to make public unexecuted limit orders. Provided that you have given us your prior consent, we will not make public unexecuted limit orders except in circumstances where the Firm believes that the publication of the limit orders is consistent with our duties of best execution owed to you.

#### 8 Execution of orders outside a trading venue

From time-to-time we may determine that it is beneficial to your order to execute all or part of it outside of a trading venue. Trading venues under MiFID are regulated markets, multilateral trading facilities and, with effect from 3 January 2018, organised trading facilities. Provided that you have given us your prior express consent, when we believe that it is consistent with this policy to do so, we will execute your orders in such a manner.

## 9 Defined Terms

|                      |   |
|----------------------|---|
| Account(s)           | Any segregated client account or pooled fund account for which the Firm executes an order   |
| Directed Brokerage   | Instances, in which an Account will direct that the Firm place (or not place) or clear (or not clear) transactions for the Account with one or more Trading Counterparties or Execution Venues. For the avoidance of doubt, a request to restrict the Firm from trading with one or more Trading Counterparties or Execution Venues otherwise approved by the Firm (sometimes referred to as “restricted brokerage”) is explicitly included in the scope of Directed Brokerage.   |
| Execution Venue(s)   | Means the following: <ul style="list-style-type: none"><li>• regulated markets;</li><li>• multilateral trading facilities (“MTF”) (i.e. a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with non-discretionary rules – in a way that results in a contract);</li><li>• systematic internalisers (“SI”) (i.e., a firm which, on an organized, frequent and systematic basis, deals on own account by executing client orders outside a regulated market or an MTF);</li><li>• organized trading facilities (“OTF”) (i.e. any facility or system that is not an MTF or regulated market, operated by an investment firm or market operator in which multiple third party buying and selling interests in financial instruments are able to interact in the system in a way that results in a contract); or</li><li>• market makers or other liquidity providers (which includes non-European Economic Entities that perform a similar function to the other Execution Venues listed above)</li></ul> |
| MiFID                | Markets in Financial Instruments Directive (as amended or replaced from time to time).  |
| Trading Counterparty | Brokers, dealers, clearing members, futures commission merchants, banks, agents, prime brokers or other counterparties, including counterparties to over-the-counter transactions.  |

## Information regarding the approach adopted by the Firm when executing orders in respect of different classes of financial instruments

### ANNEX 1

|  |  |  |
|--|--|--|
| Class of financial instrument  | Equities – Shares & Depositary Receipts – Tick size liquidity bands 5&6 (from 2000 trades per day)   |  |
| Relevant order types   | Professional client orders   |  |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>   |  |
| Summary process for selection of venues  | <p>Trading of equities is conducted through the use of a Trading Counterparty which then selects the Execution Venue.</p> <p>If the equities are traded on a 'delivery versus payment' (DVP) basis then this will mitigate counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price is determined by the Trading Counterparty if the equity is being traded with the Trading Counterparty or otherwise by the relevant Execution Venue.</p> <p>Depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p>The Firm uses the same negotiated equity commission schedule with each Trading Counterparty per market/region, and applies these for each Account it trades for<sup>1</sup>. The Firm's negotiated equity commission rates are execution service rates and take into account considerations such as liquidity, market conditions or trading expertise needed to achieve execution.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> <p><u>Crossing</u></p> <p>The Firm may match orders internally through a crossing network or through a third party crossing network.</p> |  |
| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>  | <b>Relative importance (high, medium, low)</b> |
|  | Price  | High   |
|  | Available Liquidity  | High   |
|  | Prompt and reliable execution  | High   |
|  | Prompt and reliable settlement   | High   |
|  | Nature of order  | Medium   |
|  | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market  | Medium   |
|  | Market impact  | Medium   |

Execution related costs

High

## ANNEX 2

|  |   |  |
|--|---|--|
| Class of financial instrument  | Equities – Shares & Depositary Receipts – Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)  |  |
| Relevant order types   | Professional client orders  |  |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>  |  |
| Summary process for selection of venues  | <p>Trading of equities is conducted through the use of a Trading Counterparty which then selects the Execution Venue.</p> <p>If the equities are traded on a 'delivery versus payment' (DVP) basis then this will mitigate counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price is determined by the Trading Counterparty if the equity is being traded with the Trading Counterparty or otherwise by the relevant Execution Venue.</p> <p>Depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p>The Firm uses the same negotiated equity commission schedule with each Trading Counterparty per market/region, and applies these for each Account it trades for<sup>2</sup>. The Firm's negotiated equity commission rates are execution service rates and take into account considerations such as liquidity, market conditions or trading expertise needed to achieve execution.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions. <u>Crossing</u></p> <p>The Firm may match orders internally through a crossing network or through a third party crossing network.</p> |  |
| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>   | <b>Relative importance (high, medium, low)</b> |
|  | Price   | High   |
|  | Available Liquidity   | High   |
|  | Prompt and reliable execution   | High   |

<sup>2</sup>.

|  |                   |
|--|-------------------|
| Prompt and reliable settlement   | High              |
| Nature of order  | Medium            |
| The willingness of the Trading Counterparty to execute transactions and commit size in liquid and illiquid markets without disrupting the market | Medium capital of |
| Market impact  | Medium            |
| Execution related costs  | High              |

### ANNEX 3

|   |   |
|---|---|
| Class of financial instrument           | Equities – Shares & Depositary Receipts – Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)  |
| Relevant order types                    | Professional client orders  |
| Venues                                  | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>  |
| Summary process for selection of venues | <p>Trading of equities is conducted through the use of a Trading Counterparty which then selects the Execution Venue.</p> <p>If the equities are traded on a 'delivery versus payment' (DVP) basis then this will mitigate counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty.</p> <p><u>Execution factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price is determined by the Trading Counterparty if the equity is being traded with the Trading Counterparty or otherwise by the relevant Execution Venue.</p> <p>Depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p>The Firm uses the same negotiated equity commission schedule with each Trading Counterparty per market/region, and applies these for each Account it trades for<sup>3</sup>. The Firm's negotiated equity commission rates are execution service rates and take into account considerations such as liquidity, market conditions or trading expertise needed to achieve execution.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions. <u>Crossing</u></p> <p>The Firm may match orders internally through a crossing network or through a third party crossing network.</p> |

| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>   | <b>Relative importance (high, medium, low)</b> |
|--|---|--|
|  | Price   | High   |
|  | Available Liquidity   | High   |
|  | Prompt and reliable execution   | High   |
|  | Prompt and reliable settlement  | High   |
|  | Nature of order   | Medium   |
|  | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Medium   |
|  | Market impact   | Medium   |
|  | Execution related costs   | High   |

## ANNEX 4

| Class of financial instrument  | Debt instruments (bonds)  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
|--|---|--------|---|-------|------|--|------|---------------------|------|-------------------------------|------|--------------------------------|------|------------|------|-----------------|--------|
| Relevant order types   | Professional client orders  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Venues   | A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:<br><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a>   |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Summary process for selection of venues  | <p>Debt instruments (bonds) are traded on a 'delivery versus payment' (DVP) basis, which mitigates counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty.</p> <p><u>On venue</u></p> <p>Debt instruments (bonds) are mostly traded on industry standard Execution Venues such as MarketAxess and Tradeweb. For these 'on venue' debt instrument transactions, the Firm typically selects the Execution Venue depending on the asset type. For 'in competition' transactions, the Firm will typically send a 'request for quote' (RFQ) to multiple Trading Counterparties requesting a price at which they are prepared to transact.</p> <p><u>Off venue</u> 'Off venue' transactions in debt instruments (bonds) are traded with Trading Counterparties without the involvement of an Execution Venue. For 'off venue' trades, the Firm will decide whether to trade 'in competition' or 'non-competition'. For 'in competition' transactions, the Firm will send a 'request for quote' to multiple Trading Counterparties requesting a price at which they are prepared to transact. For 'non-competition' transactions, the Firm will transact with a single Trading Counterparty that has expressed to the Firm an interest in trading the relevant debt instrument.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if the Firm believes that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Relevant criteria in relation to the selection of venues and their relative importance | <table border="1"> <thead> <tr> <th>Factor</th> <th>Relative importance (high, medium, low)</th> </tr> </thead> <tbody> <tr> <td>Price</td> <td>High</td> </tr> <tr> <td>Connectivity to Request for Quote (RFQ) systems such as TradeWeb</td> <td>High</td> </tr> <tr> <td>Available Liquidity</td> <td>High</td> </tr> <tr> <td>Prompt and reliable execution</td> <td>High</td> </tr> <tr> <td>Prompt and reliable settlement</td> <td>High</td> </tr> <tr> <td>Order size</td> <td>High</td> </tr> <tr> <td>Nature of order</td> <td>medium</td> </tr> </tbody> </table>  | Factor | Relative importance (high, medium, low) | Price | High | Connectivity to Request for Quote (RFQ) systems such as TradeWeb | High | Available Liquidity | High | Prompt and reliable execution | High | Prompt and reliable settlement | High | Order size | High | Nature of order | medium |
| Factor   | Relative importance (high, medium, low)   |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Price  | High  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb                       | High  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Available Liquidity  | High  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Prompt and reliable execution  | High  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Prompt and reliable settlement   | High  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Order size   | High  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |
| Nature of order  | medium  |        |   |       |      |  |      |                     |      |                               |      |                                |      |            |      |                 |        |

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|   |        |
|---|--------|
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | medium |
| Market impact   | High   |
| Required time of execution  | High   |
| Counterparty exposure of the Account  | Low    |

## ANNEX 5

| Class of financial instrument  | Money Market Instruments   |        |   |       |      |  |      |                     |      |                               |      |                                |      |
|--|--|--------|---|-------|------|--|------|---------------------|------|-------------------------------|------|--------------------------------|------|
| Relevant order types   | Professional client orders   |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>  |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Summary process for selection of venues  | <p>Money market instruments are traded on a 'delivery versus payment' (DVP) basis, which mitigates counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty. The Firm may use an industry standard Execution Venue such as TradeWeb when trading such instruments.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price of the Money Market Instrument typically merits a high relative importance in selecting the Trading Counterparty. Depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm's from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Relevant criteria in relation to the selection of venues and their relative importance | <table border="1"> <thead> <tr> <th>Factor</th> <th>Relative importance (high, medium, low)</th> </tr> </thead> <tbody> <tr> <td>Price</td> <td>High</td> </tr> <tr> <td>Connectivity to Request for Quote (RFQ) systems such as TradeWeb</td> <td>High</td> </tr> <tr> <td>Available Liquidity</td> <td>High</td> </tr> <tr> <td>Prompt and reliable execution</td> <td>High</td> </tr> <tr> <td>Prompt and reliable settlement</td> <td>High</td> </tr> </tbody> </table>  | Factor | Relative importance (high, medium, low) | Price | High | Connectivity to Request for Quote (RFQ) systems such as TradeWeb | High | Available Liquidity | High | Prompt and reliable execution | High | Prompt and reliable settlement | High |
| Factor   | Relative importance (high, medium, low)  |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Price  | High   |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb                       | High   |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Available Liquidity  | High   |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Prompt and reliable execution  | High   |        |   |       |      |  |      |                     |      |                               |      |                                |      |
| Prompt and reliable settlement   | High   |        |   |       |      |  |      |                     |      |                               |      |                                |      |

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|   |        |
|---|--------|
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | High   |
| Market impact   | High   |
| Required time of execution  | High   |
| Order size  | Medium |
| Nature of order   | Low    |
| Counterparty exposure of the Account  | Low    |

## ANNEX 6

|  |  |  |
|--|--|--|
| Class of financial instrument  | Interest rate derivatives – Futures and Options admitted to trading on a trading venue   |  |
| Relevant order types   | Professional client orders   |  |
| Venues   | A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:<br><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a>  |  |
| Summary process for selection of venues  | <p>Trading of exchange-traded interest rate futures and options transactions is conducted through the use of a Trading Counterparty. The Trading Counterparty selects the Execution Venue, which is the exchange upon which the relevant future or option is listed.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below “Relevant criteria” section.</p> <p>In respect of exchange-traded interest rate futures and options transactions, the price is determined by the relevant exchange.</p> <p>The Firm employs a standard commission schedule with respect to all exchange-traded interest rate futures and options transactions, which sets out rates that have been negotiated by the Firm with Trading Counterparties for specific types of trades. The same negotiated rates apply to all Trading Counterparties and apply with respect to all Accounts<sup>4</sup>.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm’s Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm’s Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |  |
| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>  | <b>Relative importance (high, medium, low)</b> |
|  | Price  | High   |

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|                                      |        |
|--------------------------------------|--------|
| Available Liquidity                  | High   |
| Prompt and reliable execution        | High   |
| Prompt and reliable settlement       | High   |
| Clearance and give-up capabilities   | Medium |
| Order size                           | Low    |
| Nature of order                      | Low    |
| Counterparty exposure of the Account | Low    |
| Market impact                        | Low    |
| Required time of execution           | Low    |
| Execution related costs              | High   |

## ANNEX 7

|                               |   |
|-------------------------------|---|
| Class of financial instrument | Interest rate derivatives: swaps  |
| Relevant order types          | Professional client orders  |
| Venues                        | A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:<br><br><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a> |

|   |   |
|---|---|
| Summary process for selection of venues | <p>Interest rate swaps are executed with Trading Counterparties on an 'over the counter' basis and not on an exchange or other trading venue. The Account will be subject to counterparty credit risk in respect of the Trading Counterparties that the Account transacts with. If the swap is subsequently cleared using a central clearing house (CCP) then the Account may have some counterparty credit risk to the clearing member.</p> <p>For 'in competition' interest rate swap transactions, the Firm will send a 'request for quote' to multiple Trading Counterparties requesting a price at which they are prepared to transact. For 'noncompetition' transactions, the Firm will transact with a single Trading Counterparty that has been identified by the Firm as being well suited to enter into the transaction with.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>In respect of interest rate swaps, the price offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |
|---|---|

| Relevant criteria in relation to the selection of venues and their relative importance  | <table border="1"> <thead> <tr> <th data-bbox="496 1151 1197 1218"><b>Factor</b></th> <th data-bbox="1197 1151 1477 1218"><b>Relative importance (high, medium, low)</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="496 1218 1197 1267">Price</td> <td data-bbox="1197 1218 1477 1267">High</td> </tr> <tr> <td data-bbox="496 1267 1197 1317">Available Liquidity</td> <td data-bbox="1197 1267 1477 1317">High</td> </tr> <tr> <td data-bbox="496 1317 1197 1366">Prompt and reliable execution</td> <td data-bbox="1197 1317 1477 1366">High</td> </tr> <tr> <td data-bbox="496 1366 1197 1415">Prompt and reliable settlement</td> <td data-bbox="1197 1366 1477 1415">High</td> </tr> <tr> <td data-bbox="496 1415 1197 1464">Order size</td> <td data-bbox="1197 1415 1477 1464">High</td> </tr> <tr> <td data-bbox="496 1464 1197 1514">Nature of order</td> <td data-bbox="1197 1464 1477 1514">High</td> </tr> <tr> <td data-bbox="496 1514 1197 1563">Counterparty exposure of the Account</td> <td data-bbox="1197 1514 1477 1563">High</td> </tr> <tr> <td data-bbox="496 1563 1197 1680">The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market</td> <td data-bbox="1197 1563 1477 1680">High</td> </tr> <tr> <td data-bbox="496 1680 1197 1729">Market impact</td> <td data-bbox="1197 1680 1477 1729">High</td> </tr> <tr> <td data-bbox="496 1729 1197 1778">Required time of execution</td> <td data-bbox="1197 1729 1477 1778">High</td> </tr> <tr> <td data-bbox="496 1778 1197 1827">Execution related costs</td> <td data-bbox="1197 1778 1477 1827">High</td> </tr> <tr> <td data-bbox="496 1827 1197 1872">Connectivity to Request for Quote (RFQ) systems such as TradeWeb</td> <td data-bbox="1197 1827 1477 1872">Medium</td> </tr> </tbody> </table> | <b>Factor</b> | <b>Relative importance (high, medium, low)</b> | Price | High | Available Liquidity | High | Prompt and reliable execution | High | Prompt and reliable settlement | High | Order size | High | Nature of order | High | Counterparty exposure of the Account | High | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | High | Market impact | High | Required time of execution | High | Execution related costs | High | Connectivity to Request for Quote (RFQ) systems such as TradeWeb | Medium |
|---|---|---------------|--|-------|------|---------------------|------|-------------------------------|------|--------------------------------|------|------------|------|-----------------|------|--------------------------------------|------|---|------|---------------|------|----------------------------|------|-------------------------|------|--|--------|
| <b>Factor</b>   | <b>Relative importance (high, medium, low)</b>  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Price   | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Available Liquidity   | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Prompt and reliable execution   | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Prompt and reliable settlement  | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Order size  | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Nature of order   | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Counterparty exposure of the Account  | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Market impact   | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Required time of execution  | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Execution related costs   | High  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb  | Medium  |               |  |       |      |                     |      |                               |      |                                |      |            |      |                 |      |                                      |      |   |      |               |      |                            |      |                         |      |  |        |

Information  
Classification:  
Limited  
Access

|  |                                    |        |
|--|------------------------------------|--------|
|  | Clearance and give-up capabilities | Medium |
|--|------------------------------------|--------|

## ANNEX 8

|  |   |  |
|--|---|--|
| Class of financial instrument  | Credit derivatives – Futures and Options admitted to trading on a trading venue   |  |
| Relevant order types   | Professional client orders  |  |
| Venues   | A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:<br><br><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a>   |  |
| Summary process for selection of venues  | <p>Trading of exchange-traded credit futures and options transactions is conducted through the use of a Trading Counterparty. The Trading Counterparty selects the Execution Venue, which is the exchange upon which the relevant future or option is listed.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below “Relevant criteria” section.</p> <p>In respect of exchange-traded credit futures and options transactions, the price is determined by the relevant exchange.</p> <p>The Firm employs a standard commission schedule with respect to all exchange-traded credit futures and options transactions, which sets out rates that have been negotiated by the Firm with Trading Counterparties for specific types of trades. The same negotiated rates apply to all Trading Counterparties and apply with respect to all Accounts.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm’s Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm’s Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |  |
| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>   | <b>Relative importance (high, medium, low)</b> |
|  | Price   | High   |
|  | Available Liquidity   | High   |
|  | Prompt and reliable execution   | High   |
|  | Prompt and reliable settlement  | High   |
|  | Clearance and give-up capabilities  | Medium   |
|  | Connectivity to Request for Quote (RFQ) systems such as TradeWeb  | Low  |
|  | Order size  | Low  |

Information  
Classification:  
Limited  
Access

|                                      |      |
|--------------------------------------|------|
| Nature of order                      | Low  |
| Counterparty exposure of the Account | Low  |
| Market impact                        | Low  |
| Required time of execution           | Low  |
| Execution related costs              | High |

## ANNEX 9

| Class of financial instrument  | Credit default swaps   |        |   |       |      |                     |      |                               |      |
|--|--|--------|---|-------|------|---------------------|------|-------------------------------|------|
| Relevant order types   | Professional client orders   |        |   |       |      |                     |      |                               |      |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>   |        |   |       |      |                     |      |                               |      |
| Summary process for selection of venues  | <p>Credit default swaps are executed with Trading Counterparties on an 'over the counter' basis and not on an exchange or other trading venue. The Account will be subject to counterparty credit risk in respect of the Trading Counterparties that the Account transacts with. If the swap is subsequently cleared using a central clearing house (CCP) then the Account may have some counterparty credit risk to the clearing member.</p> <p>For 'in competition' credit default swap transactions, the Firm will send a 'request for quote' to multiple Trading Counterparties requesting a price at which they are prepared to transact. For 'noncompetition' transactions, the Firm will transact with a single Trading Counterparty that has been identified by the Firm as being well suited to enter into the transaction with.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>In respect of credit default swaps, the price offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |        |   |       |      |                     |      |                               |      |
| Relevant criteria in relation to the selection of venues and their relative importance | <table border="1"> <thead> <tr> <th>Factor</th> <th>Relative importance (high, medium, low)</th> </tr> </thead> <tbody> <tr> <td>Price</td> <td>High</td> </tr> <tr> <td>Available Liquidity</td> <td>High</td> </tr> <tr> <td>Prompt and reliable execution</td> <td>High</td> </tr> </tbody> </table>  | Factor | Relative importance (high, medium, low) | Price | High | Available Liquidity | High | Prompt and reliable execution | High |
| Factor   | Relative importance (high, medium, low)  |        |   |       |      |                     |      |                               |      |
| Price  | High   |        |   |       |      |                     |      |                               |      |
| Available Liquidity  | High   |        |   |       |      |                     |      |                               |      |
| Prompt and reliable execution  | High   |        |   |       |      |                     |      |                               |      |

Information  
Classification:  
Limited  
Access

|   |        |
|---|--------|
| Prompt and reliable settlement  | High   |
| Order size  | High   |
| Nature of order   | High   |
| Counterparty exposure of the Account  | High   |
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | High   |
| Market impact   | High   |
| Required time of execution  | High   |
| Execution related costs   | High   |
| Clearance and give-up capabilities  | Medium |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb  | Low    |

## ANNEX 10

|                               |   |
|-------------------------------|---|
| Class of financial instrument | Currency Derivatives: forwards (deliverable and non-deliverable)  |
| Relevant order types          | Professional client orders  |
| Venues                        | A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:<br><br><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a> |

|   |   |
|---|---|
| Summary process for selection of venues | <p>Currency forwards are entered into on an 'over the counter' basis and not on an exchange. The Account will be subject to counterparty credit risk in respect of the Trading Counterparties that the Account transacts with. If the relevant transaction is not collateralised or is not fully collateralised then the Account's counterparty exposure in such circumstances will be higher than if the transaction had been fully collateralised.</p> <p>Trading of currency forwards is mostly conducted using State Street's "FX Connect" platform. FX Connect enables the Firm to select Trading Counterparties with whom it wishes to trade and to select from a variety of execution options. Trading Counterparties may pay a fee to State Street to utilise FX Connect.</p> <p>If the client has a prime broker, the Firm may trade with a Trading Counterparty acting as executing broker, and the trade will then be 'given-up' to the prime broker.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price (i.e. the competitiveness of foreign exchange spread) offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |
|---|---|

| Relevant criteria in relation to the selection of venues and their relative importance | <table border="1"> <thead> <tr> <th data-bbox="496 1229 1241 1294">Factor</th> <th data-bbox="1257 1229 1481 1294">Relative importance (high, medium, low)</th> </tr> </thead> <tbody> <tr> <td data-bbox="496 1301 1241 1339">Price</td> <td data-bbox="1257 1301 1481 1339">High</td> </tr> <tr> <td data-bbox="496 1350 1241 1388">Connectivity to Request for Quote (RFQ) systems such as TradeWeb</td> <td data-bbox="1257 1350 1481 1388">High</td> </tr> <tr> <td data-bbox="496 1400 1241 1438">Prompt and reliable execution</td> <td data-bbox="1257 1400 1481 1438">High</td> </tr> <tr> <td data-bbox="496 1449 1241 1487">Prompt and reliable settlement</td> <td data-bbox="1257 1449 1481 1487">High</td> </tr> <tr> <td data-bbox="496 1498 1241 1536">Counterparty exposure of the Account</td> <td data-bbox="1257 1498 1481 1536">High</td> </tr> <tr> <td data-bbox="496 1547 1241 1585">Clearance and give-up capabilities</td> <td data-bbox="1257 1547 1481 1585">Low</td> </tr> <tr> <td data-bbox="496 1597 1241 1635">Order size</td> <td data-bbox="1257 1597 1481 1635">Low</td> </tr> <tr> <td data-bbox="496 1646 1241 1684">Nature of order</td> <td data-bbox="1257 1646 1481 1684">Low</td> </tr> <tr> <td data-bbox="496 1695 1241 1733">Available Liquidity</td> <td data-bbox="1257 1695 1481 1733">Low</td> </tr> <tr> <td data-bbox="496 1744 1241 1832">The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market</td> <td data-bbox="1257 1744 1481 1832">Low</td> </tr> <tr> <td data-bbox="496 1843 1241 1881">Market impact</td> <td data-bbox="1257 1843 1481 1881">Low</td> </tr> </tbody> </table> | Factor                                  | Relative importance (high, medium, low) | Price | High | Connectivity to Request for Quote (RFQ) systems such as TradeWeb | High | Prompt and reliable execution | High | Prompt and reliable settlement | High | Counterparty exposure of the Account | High | Clearance and give-up capabilities | Low | Order size | Low | Nature of order | Low | Available Liquidity | Low | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Low | Market impact | Low |  |
|--|--|---|---|-------|------|--|------|-------------------------------|------|--------------------------------|------|--------------------------------------|------|------------------------------------|-----|------------|-----|-----------------|-----|---------------------|-----|---|-----|---------------|-----|--|
|  | Factor   | Relative importance (high, medium, low) |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Price  | High                                    |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Connectivity to Request for Quote (RFQ) systems such as TradeWeb   | High                                    |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Prompt and reliable execution  | High                                    |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Prompt and reliable settlement   | High                                    |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Counterparty exposure of the Account   | High                                    |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Clearance and give-up capabilities   | Low                                     |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Order size   | Low                                     |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Nature of order  | Low                                     |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | Available Liquidity  | Low                                     |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
|  | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market  | Low                                     |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |
| Market impact  | Low  |   |   |       |      |  |      |                               |      |                                |      |                                      |      |                                    |     |            |     |                 |     |                     |     |   |     |               |     |  |

Information  
Classification:  
Limited  
Access

Execution related costs

High

## ANNEX 11

|   |  |
|---|--|
| Class of financial instrument           | Equity derivatives - Options and Futures admitted to trading on a trading venue  |
| Relevant order types                    | Professional client orders   |
| Venues                                  | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>   |
| Summary process for selection of venues | <p>Trading of exchange-traded equity futures and options transactions is conducted through the use of a Trading Counterparty. The Trading Counterparty selects the Execution Venue, which is the exchange upon which the relevant future or option is listed.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>In respect of exchange-traded equity futures and options transactions, the price is determined by the relevant exchange.</p> <p>The Firm employs a standard commission schedule with respect to all exchange-traded equity futures and options transactions, which sets out rates that have been negotiated by the Firm with Trading Counterparties for specific types of trades. The same negotiated rates apply to all Trading Counterparties and apply with respect to all Accounts<sup>5</sup>.</p> <p>In certain situations and conditions we may make use of a Request for Quote (RFQ) platform in order to collect bids/offers.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm, refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions. Counterparties for specific types of trades. The same negotiated rates apply to all Trading Counterparties and apply with respect to all Accounts<sup>6</sup>.</p> <p>In certain situations and conditions we may make use of a Request for Quote (RFQ) platform in order to collect bids/offers.</p> <p><u>Approved Trading Counterparties List</u></p> |

Information  
Classification:  
Limited  
Access

When selecting a Trading Counterparty, the Firm, refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.

Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.

| Relevant criteria in relation to the selection of venues and their relative importance | Factor   | Relative importance (high, medium, low) |
|--|--|---|
|  | Price  | High                                    |
|  | Available Liquidity  | High                                    |
|  | Prompt and reliable execution  | High                                    |
|  | Prompt and reliable settlement   | High                                    |
|  | Connectivity to Request for Quote (RFQ) systems such as TradeWeb / RFQ-Hub | Medium                                  |
|  | Clearance and give-up capabilities   | Medium                                  |
|  | Order size   | Low                                     |
|  | Nature of order  | Low                                     |
|  | Counterparty exposure of the Account                                       | Low                                     |
|  | Market impact  | Low                                     |
|  | Required time of execution   | Low                                     |
|  | Execution related costs  | High                                    |

## ANNEX 12

| Class of financial instrument  | Equity derivatives: swaps   |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
|--|---|---------------|--|-------|------|---------------------|------|-------------------------------|------|-----------------|------|--------------------------------------|------|---------------|------|----------------------------|------|------------------------------------|--------|
| Relevant order types   | Professional client orders  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Summary process for selection of venues  | <p>Equity swaps are executed with Trading Counterparties on an 'over the counter' basis and not on an exchange or other trading venue. The Account will be subject to counterparty credit risk in respect of the Trading Counterparties that the Account transacts with. If the swap is subsequently cleared using a central clearing house (CCP) then the Account may have some counterparty credit risk to the clearing member.</p> <p>For 'in competition' equity swap transactions, the Firm will send a 'request for quote' to multiple Trading Counterparties requesting a price at which they are prepared to transact. For 'non-competition' transactions, the Firm will transact with a single Trading Counterparty that has been identified by the Firm as being well suited to enter into the transaction with.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>In respect of equity swaps, the price offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Relevant criteria in relation to the selection of venues and their relative importance | <table border="1"> <thead> <tr> <th><b>Factor</b></th> <th><b>Relative importance (high, medium, low)</b></th> </tr> </thead> <tbody> <tr> <td>Price</td> <td>High</td> </tr> <tr> <td>Available Liquidity</td> <td>High</td> </tr> <tr> <td>Prompt and reliable execution</td> <td>High</td> </tr> <tr> <td>Nature of order</td> <td>High</td> </tr> <tr> <td>Counterparty exposure of the Account</td> <td>High</td> </tr> <tr> <td>Market impact</td> <td>High</td> </tr> <tr> <td>Required time of execution</td> <td>High</td> </tr> <tr> <td>Clearance and give-up capabilities</td> <td>Medium</td> </tr> </tbody> </table>  | <b>Factor</b> | <b>Relative importance (high, medium, low)</b> | Price | High | Available Liquidity | High | Prompt and reliable execution | High | Nature of order | High | Counterparty exposure of the Account | High | Market impact | High | Required time of execution | High | Clearance and give-up capabilities | Medium |
| <b>Factor</b>  | <b>Relative importance (high, medium, low)</b>  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Price  | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Available Liquidity  | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Prompt and reliable execution  | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Nature of order  | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Counterparty exposure of the Account   | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Market impact  | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Required time of execution   | High  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |
| Clearance and give-up capabilities   | Medium  |               |  |       |      |                     |      |                               |      |                 |      |                                      |      |               |      |                            |      |                                    |        |

|   |        |
|---|--------|
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Medium |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb  | Low    |
| Prompt and reliable settlement  | Low    |
| Execution related costs   | High   |

## ANNEX 13

|   |  |
|---|--|
| Class of financial instrument           | Securitized derivatives: warrants  |
| Relevant order types                    | Professional client orders   |
| Venues                                  | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>   |
| Summary process for selection of venues | <p>Trading of warrants is conducted through the use of a Trading Counterparty. Warrants can either be traded with the Trading Counterparty itself or on exchange, in which case the Trading Counterparty selects the Execution Venue.</p> <p>If the warrants are traded on a 'delivery versus payment' (DVP) basis then this will mitigate counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty.</p> <p><u>Execution factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price is determined by the Trading Counterparty if the warrant is being traded with the Trading Counterparty or by the relevant exchange if the warrant is being traded on an exchange.</p> <p>Depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p>The Firm employs a standard commission schedule with respect to all warrants trading, which sets out rates that have been negotiated by the Firm with Trading Counterparties for specific types of trades. The same negotiated rates apply to all Trading Counterparties for similar styles of trading and apply with respect to all Accounts<sup>7</sup>.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> <p><u>Crossing</u></p> <p>The Firm may match orders internally through a crossing network or through a third party crossing network.</p> |

| Relevant criteria in relation to the selection of venues and their relative importance | Factor  | Relative importance (high, medium, low) |
|--|---|---|
|  | Price   | High                                    |
|  | Available Liquidity   | High                                    |
|  | Prompt and reliable execution   | High                                    |
|  | Prompt and reliable settlement  | High                                    |
|  | Nature of order   | Medium                                  |
|  | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Medium                                  |
|  | Market impact   | Medium                                  |
|  | Execution related costs   | High                                    |

## ANNEX 14

|  |  |  |
|--|--|--|
| Class of financial instrument  | Commodities derivatives - Options and Futures admitted to trading on a trading venue   |  |
| Relevant order types   | Professional client orders   |  |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>   |  |
| Summary process for selection of venues  | <p>Trading of commodities derivatives is conducted through the use of a Trading Counterparty which then selects the Execution Venue. The Trading Counterparty selects the Execution Venue, which is the exchange upon which the relevant future or option is listed.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>In respect of commodities derivatives, the price is determined by the relevant exchange.</p> <p>The Firm employs a standard commission schedule with respect to all commodities derivatives trading, which sets out rates that have been negotiated by the Firm with Trading Counterparties for specific types of trades. The same negotiated rates apply to all Trading Counterparties and apply with respect to all Accounts<sup>9</sup>.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |  |
| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>  | <b>Relative importance (high, medium, low)</b> |
|  | Price  | High   |

|  |        |
|--|--------|
| Available Liquidity  | High   |
| Prompt and reliable execution                                    | High   |
| Prompt and reliable settlement                                   | High   |
| Clearance and give-up capabilities                               | Medium |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb | Low    |
| Order size   | Low    |
| Nature of order  | Low    |
| Counterparty exposure of the Account                             | Low    |
| Market impact  | Low    |
| Required time of execution                                       | Low    |
| Execution related costs  | High   |

## ANNEX 15

|                               |  |
|-------------------------------|--|
| Class of financial instrument | Contracts for difference   |
| Relevant order types          | Professional client orders   |
| Venues                        | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p> |

| Summary process for selection of venues   | <p>Contacts for difference are entered into on an 'over the counter' basis and not on an exchange or other trading venue. The Account will be subject to counterparty credit risk in respect of the Trading Counterparties that the Account transacts with. If the relevant transaction is not collateralised or is not fully collateralised then the Account's counterparty exposure in such circumstances will be higher than if the transaction had been fully collateralised.</p>   |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|---|---|---------------|--|-------|------|---------------------|------|-------------------------------|------|--------------------------------|------|--|------|------------------------------------|--------|-----------------|--------|---|--------|---------------|--------|-------------------------|------|
|   | <p><u>Execution Factors</u></p>   |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|   | <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p>  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|   | <p>The price of the contract for difference offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if we believe that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p>  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|   | <p>The Firm employs a standard commission schedule with respect to all contracts for difference trading, which sets out rates that have been negotiated by the Firm with Trading Counterparties for specific types of trades<sup>9</sup>. The same negotiated rates apply to all Trading Counterparties for similar styles of trading and apply with respect to all Accounts unless otherwise instructed by the client.</p>   |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|   | <p><u>Approved Trading Counterparties List</u></p>  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|   | <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p>  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
|   | <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p>   |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Relevant criteria in relation to the selection of venues and their relative importance  | <table border="1"> <thead> <tr> <th data-bbox="584 1113 1337 1169"><b>Factor</b></th> <th data-bbox="1342 1113 1557 1169"><b>Relative importance (high, medium, low)</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="584 1176 1337 1220">Price</td> <td data-bbox="1342 1176 1557 1220">High</td> </tr> <tr> <td data-bbox="584 1227 1337 1272">Available Liquidity</td> <td data-bbox="1342 1227 1557 1272">High</td> </tr> <tr> <td data-bbox="584 1279 1337 1323">Prompt and reliable execution</td> <td data-bbox="1342 1279 1557 1323">High</td> </tr> <tr> <td data-bbox="584 1330 1337 1375">Prompt and reliable settlement</td> <td data-bbox="1342 1330 1557 1375">High</td> </tr> <tr> <td data-bbox="584 1382 1337 1426">Availability of borrow for short sales</td> <td data-bbox="1342 1382 1557 1426">High</td> </tr> <tr> <td data-bbox="584 1433 1337 1478">Clearance and give-up capabilities</td> <td data-bbox="1342 1433 1557 1478">Medium</td> </tr> <tr> <td data-bbox="584 1485 1337 1529">Nature of order</td> <td data-bbox="1342 1485 1557 1529">Medium</td> </tr> <tr> <td data-bbox="584 1536 1337 1615">The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market</td> <td data-bbox="1342 1536 1557 1615">Medium</td> </tr> <tr> <td data-bbox="584 1621 1337 1666">Market impact</td> <td data-bbox="1342 1621 1557 1666">Medium</td> </tr> <tr> <td data-bbox="584 1673 1337 1718">Execution related costs</td> <td data-bbox="1342 1673 1557 1718">High</td> </tr> </tbody> </table> | <b>Factor</b> | <b>Relative importance (high, medium, low)</b> | Price | High | Available Liquidity | High | Prompt and reliable execution | High | Prompt and reliable settlement | High | Availability of borrow for short sales | High | Clearance and give-up capabilities | Medium | Nature of order | Medium | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Medium | Market impact | Medium | Execution related costs | High |
| <b>Factor</b>   | <b>Relative importance (high, medium, low)</b>  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Price   | High  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Available Liquidity   | High  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Prompt and reliable execution   | High  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Prompt and reliable settlement  | High  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Availability of borrow for short sales  | High  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Clearance and give-up capabilities  | Medium  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Nature of order   | Medium  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Medium  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Market impact   | Medium  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |
| Execution related costs   | High  |               |  |       |      |                     |      |                               |      |                                |      |  |      |                                    |        |                 |        |   |        |               |        |                         |      |

## ANNEX 16

| Class of financial instrument  | Exchange traded Funds (“ETFs”)  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
|--|---|--------|---|-------|------|--|------|--|------|---------------------|------|-------------------------------|------|--------------------------------|------|------------|------|-------------------------|------|-----------------|--------|
| Relevant order types   | Professional client orders  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders is included at the following website address:</p> <p><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>   |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Summary process for selection of venues  | <p>Trading of ETFs is typically conducted through the use of a Trading Counterparty which then selects the Execution Venue.</p> <p>ETFs are traded on a ‘delivery versus payment’ (DVP), which mitigates counterparty credit risk as the Account will not have to transfer payment or deliver securities until there is certainty that it will receive the counter-value in cash or securities from the Trading Counterparty.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below “Relevant criteria” section.</p> <p>The price is determined by the Trading Counterparty if the ETF is being traded with the Trading Counterparty or otherwise by the relevant Execution Venue.</p> <p>For certain exchange traded products, the Firm will compare the likely costs to execute in the market against the costs and feasibility of creating/redeeming units via the ETF provider. Should we choose to execute via the create/redeem method we will partner with a counterparty that acts an Authorised Participant to the ETF provider. There are fees and costs associated with the create/redeem method, but the additional liquidity of the underlying and the likely reduced implicit costs make this approach attractive in certain scenarios.</p> <p>In certain situations and conditions we may make use of a RFQ platform in order to collect bids/offers.</p> <p>The Firm uses the same negotiated equity commission schedule with each Trading Counterparty per market/region, and applies these for each Account it trades for<sup>10</sup>. The Firm’s negotiated equity commission rates are execution service rates and take into account considerations such as liquidity, market conditions or trading expertise needed to achieve execution.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm’s Counterparty Risk Management division. In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm’s Counterparty Risk Management division takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Relevant criteria in relation to the selection of venues and their relative importance | <table border="1"> <thead> <tr> <th>Factor</th> <th>Relative importance (high, medium, low)</th> </tr> </thead> <tbody> <tr> <td>Price</td> <td>High</td> </tr> <tr> <td>Authorised Participant to ETF provider</td> <td>High</td> </tr> <tr> <td>Connectivity to Request for Quote (RFQ) systems such as TradeWeb</td> <td>High</td> </tr> <tr> <td>Available Liquidity</td> <td>High</td> </tr> <tr> <td>Prompt and reliable execution</td> <td>High</td> </tr> <tr> <td>Prompt and reliable settlement</td> <td>High</td> </tr> <tr> <td>Order size</td> <td>High</td> </tr> <tr> <td>Execution related costs</td> <td>High</td> </tr> <tr> <td>Nature of order</td> <td>Medium</td> </tr> </tbody> </table>   | Factor | Relative importance (high, medium, low) | Price | High | Authorised Participant to ETF provider | High | Connectivity to Request for Quote (RFQ) systems such as TradeWeb | High | Available Liquidity | High | Prompt and reliable execution | High | Prompt and reliable settlement | High | Order size | High | Execution related costs | High | Nature of order | Medium |
| Factor   | Relative importance (high, medium, low)   |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Price  | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Authorised Participant to ETF provider   | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Connectivity to Request for Quote (RFQ) systems such as TradeWeb                       | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Available Liquidity  | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Prompt and reliable execution  | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Prompt and reliable settlement   | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Order size   | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Execution related costs  | High  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |
| Nature of order  | Medium  |        |   |       |      |  |      |  |      |                     |      |                               |      |                                |      |            |      |                         |      |                 |        |

|  |   |        |
|--|---|--------|
|  | The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | Medium |
|  | Market impact   | Medium |

## ANNEX 17

|  |   |  |
|--|---|--|
| Class of financial instrument  | Debt instruments (bonds) or equities traded as part of a repurchase transaction or reverse repurchase transaction   |  |
| Relevant order types   | Professional client orders that are securities financing transactions   |  |
| Venues   | <p>A list of venues upon which the Firm places significant reliance in connection with the execution of orders of this type is included at the following website address:</p> <p style="text-align: center;"><a href="https://www.ssga.com/publications/firm/execution-venues.pdf">https://www.ssga.com/publications/firm/execution-venues.pdf</a></p>  |  |
| Summary process for selection of venues  | <p>Repurchase transactions and reverse repurchase transactions are executed with Trading Counterparties on an 'over the counter' basis and not on an exchange or other trading venue. The Account will be subject to counterparty credit risk in respect of the Trading Counterparties that the Account transacts with.</p> <p>For repurchase and reverse repurchase transactions, the Firm typically will send a 'request for quote' to multiple Trading Counterparties requesting a price at which they are prepared to transact.</p> <p><u>Execution Factors</u></p> <p>Factors that the Firm may take into account when selecting a Trading Counterparty are set out in the below "Relevant criteria" section.</p> <p>The price offered by the Trading Counterparties typically merits a high relative importance in selecting a Trading Counterparty. However, depending upon the circumstances, the Firm may take other relevant factors into account if the Firm believes that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.</p> <p><u>Approved Trading Counterparties List</u></p> <p>When selecting a Trading Counterparty, the Firm refers to and selects from the list of approved Trading Counterparties maintained by the Firm's Counterparty Risk Management division (or, if relevant, State Street Global Advisors Credit Research team). In determining whether Trading Counterparties should be included in this list of approved Trading Counterparties, the Firm's Counterparty Risk Management division (or, if relevant, State Street Global Advisors Credit Research team) takes into account factors including the financial strength, stability and/or reputation of the Trading Counterparty.</p> <p>Any specific instructions from a client may prevent the Firm from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of orders in respect of the elements covered by those instructions.</p> |  |
| Relevant criteria in relation to the selection of venues and their relative importance | <b>Factor</b>   | <b>Relative importance (high, medium, low)</b> |
|  | Price   | High   |
|  | Prompt and reliable execution   | High   |
|  | Prompt and reliable settlement  | High   |
|  | Order size  | High   |
|  | Nature of order   | High   |

|   |      |
|---|------|
| The willingness of the Trading Counterparty to execute transactions and commit capital of size in liquid and illiquid markets without disrupting the market | High |
| Market impact   | High |
| Required time of execution  | High |
| Counterparty exposure of the Account  | High |