

**Policy of selection, evaluation and audit policy
for intermediaries and counterparties**

As of February 3, 2015

1. Preamble

In carrying out its activity of managing mandates and collective investment schemes, SCOR Investment Partners obtains the best possible execution of orders by selecting intermediaries and counterparties on the basis of objective criteria.

As SCOR Investment Partners is not a member of a regulated market or a multilateral trading facility (MTF), it entrusts its orders to intermediaries and counterparties for execution, without having knowledge of the final place of execution used.

These intermediaries and counterparties can choose to execute orders on regulated markets, MTFs, with systematic internalisers or as principal.

These intermediaries and counterparties selected by SCOR Investment Partners are bound by their regulatory obligations to guarantee the management company the best execution possible.

The policy below details the procedures for selecting and evaluating the intermediaries and counterparties as well as follow-up procedures.

2. Processing orders

Principles for allocating and distributing orders

SCOR Investment Partners ensures that orders executed for its clients are registered and distributed promptly and with precision. The orders are sent and executed in the order of arrival, except in cases where this is impossible, due to the type of order or to market conditions or when it is in the client's interest to proceed otherwise.

SCOR Investment Partners takes all reasonable measures to ensure that all financial instruments are quickly and correctly allocated to the account of the client concerned.

SCOR Investment Partners defines the allocation of the orders that it issues, in advance. As soon as it has knowledge of their execution, it sends the custodian / account holder the precise and definitive allocation of the beneficiaries of these executions.

Grouped orders

Unless otherwise instructed by the client, orders relating to several portfolios may be grouped in the aim of achieving the best result possible, particularly in terms of costs, ensuring that they are dealt with fairly. Clients are informed that this grouping of orders may sometimes lead to the partial execution of their order(s).

Documented processes specify the procedures for allocating orders in advance, and for reacting in the event of a particular situation such as partial responses to orders sent. These procedures take into account the interest and the particular situation of each client, in order to ensure fast execution and fair treatment for all clients.

Instructions received from the client

In the event of instructions from the client relating to the organisation, the choice of intermediary or counterparty, or a part or aspect of the order only, SCOR Investment Partners shall not be bound to ensure the best possible result when executing the order.

In this instance, SCOR Investment Partners will respect the specific instructions of the client even if such instructions contradict the terms of this policy. However, SCOR Investment Partners reserves the right to use its own execution policy when the specific instructions of a client are not clear.

3. Role and functioning of the Committee for selection and follow-up of intermediaries and counterparties

Purpose

The Committee for selection and follow-up of intermediaries and counterparties at SCOR Investment Partners aims:

- to draw up the list of intermediaries and counterparties,
- to establish objective evaluation criteria for intermediaries and counterparties,
- to follow the change in volumes allocated per intermediary and counterparty (in particular, the dynamic analysis of brokerage commissions on shares and net amounts for other products), overall and per product,
- to pass judgement on the quality of execution of orders by the intermediaries and counterparties according to the previously established objective criteria.

Members of the committee and decision-making

The committee is made up of the following permanent members:

- the Chief Executive Officer,
- the Chief Investment Officer,
- the Chief Operating Officer,
- the Heads of Desk,
- the Chief Risk Officer
- the Head of Compliance and Internal Audit.

This committee is chaired by the Chief Investment Officer.

The intermediaries and counterparties selected to execute the operations must have been approved unanimously by all the members of this committee.

Frequency of the committee

The Committee for selection and follow-up of intermediaries and counterparties meets at least twice per year to review all intermediaries and counterparties and on an ad-hoc basis, on the request of one of the permanent members.

Restriction of the number of intermediaries and counterparties

With a concern for operational efficiency and in the exclusive interest of holders and clients, SCOR Investment Partners shall strive to reasonably restrict the number of intermediaries and counterparties by selecting them from criteria based on the quality of the services.

Similarly, SCOR Investment Partners will make sure that it retains a minimum number of intermediaries and counterparties to ensure competition amongst the different service providers.

4. Selection process for intermediaries and counterparties

Principle

Each intermediary and counterparty with which SCOR Investment Partners enters into relations to execute one or more transactions for its clients or mutual funds, is authorised by a dedicated committee. This authorisation is made taking into account the characteristics of the financial instruments which the fund managers use and

each management process.

Each intermediary and counterparty with which SCOR Investment Partners enters into relations to execute one or more transactions for its clients or collective investment schemes, is authorised by a dedicated committee. This authorisation is made taking into account the characteristics of the financial instruments which the fund managers use and each management process.

Steering the authorisation process consists in:

- analysing the quality of the intermediary/counterparty with regard to the management style implemented by SCOR Investment Partners,
- analysing the risks (counterparty risk).

Proposals for adding to the list of intermediaries and counterparties

Fund managers may propose intermediaries and counterparties to the Committee for selection and follow-up of intermediaries and counterparties according to their requirements or proposals received from service providers.

The Head of Desk is in charge of analysing and drawing up the file for the Committee, in particular analysing any potential conflict of interest with the recommended service provider.

Examining the proposal and criteria taken into account in the analysis

The proposal is examined during the previously mentioned Committee.

The selection criteria take into account the type of financial instruments considered and the management process.

5. Evaluation process for intermediaries and counterparties

Principle

The evaluation of intermediaries and counterparties is carried out in a two-step process:

- during everyday relations with service providers,
- and within the committee.

During everyday business relations

- evaluation of intermediaries and counterparties by the Front-office,
- monthly follow-up of volumes of operations carried out by Portfolio Administration,
- analysis of counterparty risk,
- periodic review by the Head of Compliance and Internal Audit.

Within the Committee

The list of intermediaries and counterparties with whom business relations are maintained is reviewed by the Committee using the list of authorised intermediaries and counterparties at least once every six months according to the following process:

- a general questionnaire is sent to all members of the Committee concerning all the intermediaries and counterparties every six months, so that each member can propose a score and an evaluation on the relevant subjects,
- the score includes the following criteria in particular, when deemed relevant in the investment process selected: quality of research, quality of execution, cost of intermediation, quality of

administrative processing of operations, etc.

6. Decision for surveillance or removal from intermediaries/counterparties

Removal

The Committee may decide to remove an intermediary or counterparty from the list.

Alert procedure

In the event of information concerning an intermediary/counterparty which requires a suspension or surveillance, each member of the Committee may request the opinion of the Committee to suspend or limit an authorisation.

Updating the list

The Head of Compliance and Internal Audit is responsible for updating the list of authorised intermediaries and counterparties and for distributing this information.