

Ashmore Investment Management Limited

Conflicts of Interest Policy Statement

Current as at February 2013

Introduction

This document summarises the policy of Ashmore Investment Management Limited and its affiliated companies¹ (collectively “Ashmore”) for managing conflicts of interest². It is not intended to provide a comprehensive account of the processes and procedures we adopt in connection with the management of conflicts of interest, but is instead intended to be a statement of principles through which Ashmore seeks to manage such potential conflicts. It provides information designed to enable our clients to understand the key measures we take to safeguard their interests.

Conflicts of interest can arise where:

- the interests of Ashmore conflict with those of a client (firm vs. client conflicts);
- the interests of one client of Ashmore conflict with those of another of our clients (client vs. client conflicts).

In accordance with the Financial Conduct Authority (“FCA”) Principles for Businesses, the requirements of the European Markets in Financial Instruments Directive (“MiFID”), and with our fiduciary obligations, Ashmore has policies and arrangements in place to identify and manage conflicts of interest that may arise between us and our clients or between our different clients.

Ashmore or any other party to whom it may have delegated certain functions, may in its absolute discretion effect transactions in which we have, directly or indirectly, a material interest. We may also at our discretion enter into a relationship of any description with another party which may involve a potential conflict with our duty to our clients. We will ensure that such transactions are effected on terms which are not materially less favourable to the client than if the potential conflict had not existed.

We have a policy of independence that requires Ashmore staff to disregard any personal interest, relationship or arrangement which gives rise to a conflict of interest and to ensure that the interests of clients prevail.

Ashmore places significant emphasis on its strong compliance culture, and the efficient operation of systems and controls, to manage issues such as conflicts of interest. Our compliance department conducts regular monitoring checks to confirm that internal policies and procedures are followed.

¹ Affiliated companies comprise the ultimate holding company Ashmore Group plc and all other active companies the majority of whose equity interests are directly or indirectly owned by Ashmore Group plc.

² Subject to local laws applicable in jurisdictions where affiliated companies are located.

In the event that the reasonable steps Ashmore has made to manage conflicts of interest are not sufficient and may potentially damage the interests of a client, we will consider whether disclosure is appropriate or whether, bearing in mind the risks involved, we should refrain from acting for the client. If we do not refrain from acting, we will inform that affected client of the nature of the conflict so that it may make an informed decision with respect to the service in the context of which the conflict of interest arises. Ashmore will only consider the use of disclosure where the reasonable steps to manage a particular conflict have not been achieved.

Ashmore's principal activity is the provision of investment management and advisory services to a range of funds and to large institutional clients. Ashmore does not offer the services of market making or underwriting, nor do we provide investment research to external third parties, and we have no soft commission arrangements in force. Furthermore Ashmore does not hold client money or assets. Except in strictly controlled circumstances where only senior fund managers have limited discretion, investment decisions are made by Ashmore's Investment Committees. Accordingly no single person has the opportunity to effect transactions for their personal interest. We do not therefore have the potential conflicts of interest that arise from such services and activities.

Potential areas of conflict identified

Firm vs. client conflicts

Connected entity investment decisions – Ashmore acts as manager, investment manager, advisor or general partner to and may receive different rates of remuneration, including investment management/ advisory fees and performance fees from multiple client accounts. Whilst we may make decisions to buy or sell securities or other investments for one account and not another account, which may affect relative performance and hence the value of our remuneration based thereon, we will at all times have regard to our obligations to each client, taking into account such clients' investment restrictions and other relevant factors.

Investment as principal – Ashmore has from time to time taken, and may from time to time take a long-term or short-term position in a client fund, in some cases to provide initial capital and establish a solid platform for the future growth of such client fund. We have and may also in the future co-invest in an investment alongside a client or client fund, either directly or indirectly, or invest in any entity which forms part of, or acquires part or all of, a client fund's assets or client fund itself. Ashmore's return on investment in a client fund will be determined by reference to the investment decisions we make for such client fund, and in the case of co-investment or other investment, by reference to the change in value of such investment. Principal transactions by Ashmore are made subject to policy and limits specified from time to time by the Board of Ashmore Group plc. Our policies require that all personal interests, relationships or arrangements, including those of our affiliated companies must be disregarded to ensure that the best interests of all clients are served.

Ashmore staff personal investments - certain directors and employees of Ashmore or of an affiliated company may hold or deal for their personal account in securities of a client or of any issuer in which securities or investments are held or dealt in on behalf of a client. They may also deal, outside closed periods, in the securities of the ultimate holding company, Ashmore Group

plc or, in the case of joint ventures, hold shares or other investments in an affiliated company. All Ashmore directors and employees are subject to the Ashmore Personal Account Dealing Code.

Ashmore staff directorship interests - certain directors and employees of Ashmore or of an affiliated company may act as a director of a client or of any issuer in which securities or investments are held or dealt in on behalf of a client.

Gifts and benefits - gifts and entertainment may on occasions be offered to Ashmore directors and employees by clients, suppliers or others who provide services to, or receive services from Ashmore, and this is subject to our strict gifts and benefits policy.

Transaction fees - Ashmore may negotiate and receive a share of transaction fees in connection with the making, monitoring and realisation of investments held or dealt in on behalf of certain clients from the investee company or related companies.

Client vs. client conflicts

Aggregation of transactions in investments - Ashmore may aggregate purchase and sale transactions in investments (and associated transaction costs) for applicable clients (and as referred to above applicable investments as principal).

The applicable clients may have different or similar investment strategies, objectives and restrictions, and they may be structured differently (such as redemption and subscription (or analogous) terms). Accordingly, aggregation may result in different outcomes for certain such clients, for instance in respect of the holding period for an investment, the size of a client's exposure to such investment, and the price at which an investment may be acquired or disposed of. Depending on the circumstances, aggregation may be advantageous or disadvantageous to the client.

Allocation of transactions in investments - aggregated transactions as referred to above, including costs and expenses thereof, are allocated to ensure that our clients have broadly equal access to a similar quality and quantity of suitable investment transactions, taking into account the factors mentioned above, amongst others. Our policy further requires all allocations to be effected at the same price, but in very limited instances this may not be achievable due to the mechanics of certain markets.

Transactions between clients – Ashmore may make decisions for one client to buy or sell units, shares or other investments in other funds, investment companies or other entities to which Ashmore or an affiliated company is the manager or investment manager (for example for a fund of fund).

Ashmore may potentially charge the higher of the two management fees and could double-charge performance fees where one fund invests in another emerging markets fund. Ashmore currently elects not to receive double performance fees on any such investments.

Ashmore may in certain circumstances effect a transaction between clients whereby one client buys an asset from another client for reasons that are beneficial to each client, on arms' length terms. For example, a transaction between clients may be appropriate when a client fund has an obligation to meet applicable investment restrictions or investor redemption requirements, and

where Ashmore determines that the investment continues to represent a valid opportunity to generate added value for one or more other clients to acquire the investment.

Issue of regular portfolio information – Ashmore may from time to time provide investors holding security interests in certain public client funds with regular portfolio or other information, comprising detail that is not routinely available to other investors in the same client fund. To the extent permitted by applicable laws and regulations, we have a policy of providing portfolio information on request to any investor in such public client funds.

Rebate arrangements – Ashmore may enter into rebate arrangements with some investors which means that certain investors in a public client fund pay a lower effective management fee and/or may not pay a performance fee. Any such rebate is paid by Ashmore, so that at the fund level all investors pay the same fee rates.

Confidential information

Unpublished price-sensitive information – During the course of Ashmore’s business activities in connection with the making, monitoring and realisation of investments held or dealt in on behalf of certain clients, there may be occasions when directors and employees of Ashmore become aware of unpublished price sensitive information concerning listed securities. In the United Kingdom, the release of or acting upon unpublished price-sensitive information (insider dealing) is a criminal and civil offence and is strictly prohibited by law and by Ashmore’s insider dealing policies.

Commercially sensitive information – similarly, Ashmore’s business activities may cause directors and employees of Ashmore to become aware of information that could affect the commercial interests of certain third parties involved in a transaction. Accordingly, where Ashmore receives such confidential information under the terms of a confidentiality agreement, it has a duty to keep that information confidential.

Record Keeping

Ashmore will maintain records of actual and potential conflicts and the procedures in place to manage them in accordance with its regulatory obligations.

Notice

In providing a set of principles through which Ashmore intends to manage any potential conflicts of interest, we intend that this document should be for guidance only. Accordingly, this document is being provided (to the extent permitted by law) without liability, and in publishing this document Ashmore makes no representation or warranty as to how it may act in connection with any particular situation or set of circumstances that may arise in relation to a conflict. This document is not intended to create third party rights or duties that would not already exist if the policy had not been made available, nor is it intended to form part of any contract between Ashmore and any client.