FIM Partners

FIM EM Frontier Fund
Due Diligence Questionnaire

June 2023

Frontier Investment Management Partners Ltd.
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Contents	Page

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Section 1. Basic Information

1.01	Please provide basic details of the entity completing this due diligence questionnaire, including contact details for the firm.

Frontier Investment Management Partners Ltd. (“FIM Partners”) was established in 2008 as among the first dedicated and independent specialist investment managers focused on MENA & Emerging/Frontier markets.

The firm’s overarching investment philosophy is to be fundamentally based, with the objective of producing uncorrelated, strong returns, utilizing on the ground research capabilities and smart portfolio construction to mitigate downside risks. It has generated an exceptional record of alpha since inception, with its funds consistently ranking at the top of fund league tables.

FIM Partners’ assets under management are invested on behalf of university endowments, sovereign wealth funds, insurance companies, outsourced CIO’s and pension plans from North America, Europe, the Middle East and Asia. The firm maintains long-term partnerships with its institutional investor base.

FIM Partners is a UNPRI signatory and has incorporated ESG as an integral part of its due diligence process. FIM Partners is a private company headquartered in the Dubai International Financial Centre, with offices in the United Kingdom, Saudi Arabia, and Oman.

Regulators
FIM Partners is subject to oversight by the following regulatory authorities:

- U.K Financial Conduct Authority
- U.S. Securities and Exchange Commission
- Dubai Financial Services Authority
- Kingdom of Saudi Arabia’s Capital Markets Authority
- Sultanate of Oman’s Capital Markets Authority

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1.02	Please provide basic information on the strategy covered in this RFP.

Asset Class	Geographic Emphasis	Style	Fund Manager
Public Equities	Frontier Markets	Long biased	FIM Partners

Fund Name:	FIM EM Frontier Fund
Fund Vehicle:	Open-ended investment fund domiciled in Cayman Islands.
Fund Objective:	The FIM EM Frontier Fund seeks to provide long-term capital appreciation by monetizing domestically driven secular themes in Frontier markets via investments in listed equity securities of companies operating in these markets. ESG factors are taken into consideration in the Fund's investment decisions.
Benchmark:	MSCI FEM
Inception:	January 2013
Fee Structure:	1.5% management fee per annum 15% performance fees with high watermark
Structure:	Cayman ; Open-ended
Custodian:	HSBC Bank Plc
Administrator:	BNY Mellon
Auditor:	KPMG

End of Section

Section 2. Investment Manager

2.01 Please provide a brief history of the Investment Manager.

FIM Partners was established in 2008 as among the first dedicated and independent specialist investment managers focused on MENA & Emerging/Frontier markets.

The firm has successfully navigated the risks of investing in MENA & Emerging/Frontier markets over the last 14 years through its fundamental approach, on the ground presence and smart portfolio construction.

The firm’s flagship EM Frontier equities fund has generated 186% gross returns (99% net) since inception and 212% gross (125% net) outperformance against the benchmark over the same period.

During this period, the firm has grown to 40 employees and has a presence in the United Kingdom, United Arab Emirates, Saudi Arabia and Oman. In addition to employing investment professionals with over 100 years combined experience in MENA & Frontier markets, the firm employs dedicated inhouse risk management and operations professionals and its focus on capital preservation has led to its flagship MENA equities fund having a top ranking in CityWire.

The firm has cultivated long-term partnerships with institutional investors since inception, and AUM has grown significantly from $140 million in 2010 to $US3.2 billion today. As an independent and employee majority owned, the firm has been able to establish conservative AUM limits to size its strategies to the opportunity set for alpha generation and has enforced caps on its strategies.

2.02 Please provide the key milestones in the firm’s history

2008: FIM Partners is founded in Dubai as among the first dedicated and independent specialized investment manager focused on MENA and Emerging/Frontier markets

2010: Launch of the MENA equities strategy followed by the flagship MENA fund: the FIM Mena Horizon Fund.

2013: Launch of the flagship EM Frontier strategy.

2016: FIM Partners organically reached US$1bn of assets under management.

2017: EFG Hermes is brought on board as a strategic investor, acquiring 50% of FIM Partners’ equity from Duet Group.

2018: FIM Partners became a licensed manager approved by the Capital Markets Authority of the Kingdom of Saudi Arabia and established a presence in KSA with the opening of its office in Riyadh.

2018: The firm became a signatory to the U.N. Principles for Responsible Investing. Also, the firm expanded into fixed income strategies with the launch of a MENA credit fund, FIM Credit Fund SP in November 2018 followed by a Global Sukuk Fund in March 2019.

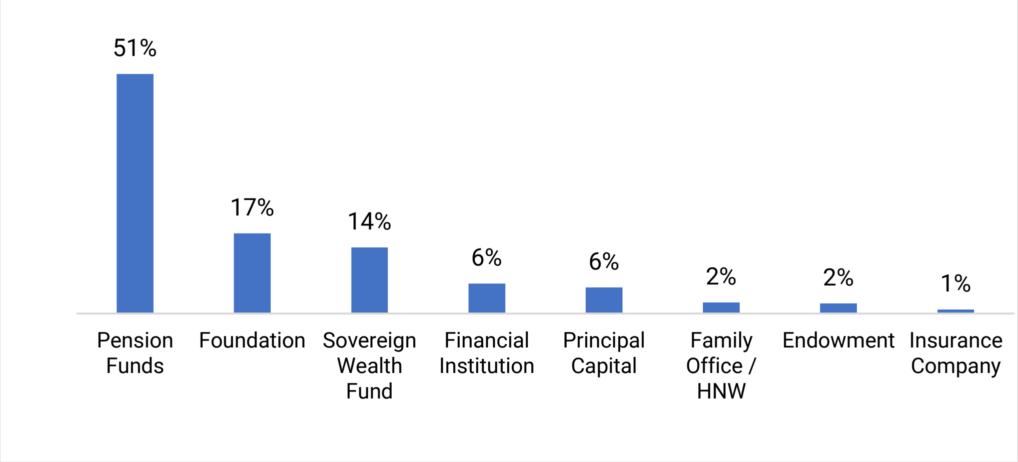
2019: The firm opened an office in London and became authorized by the Financial Conduct Authority

2022: The firm extended its investment management capabilities in real estate with the establishment of its subsidiary FIM Partners Muscat SPC, based in Muscat, Oman. FIM Partners Muscat SPC currently manages the assets of Oman REIT Fund, a publicly listed REIT in Oman.

2.03	Please provide some details on the firm's AUM.

FIM Partners has $US3.2 billion of AUM at 30 June 2023 across the equity, fixed income, real estate strategies. The firm's assets under management are managed on behalf of endowments, foundations, SWFs, insurance companies and pension funds in North America, Europe, Asia, and the Middle East.

Figure 2.1 AUM by Investor Type



2.04	Please state the asset classes that are within the investment manager's coverage

Public Equities
Fixed Income
Real Estate
Private Equity

2.05	Please provide a brief overview of the strategies that are managed by the firm under public equities

MENA Equities: The firm's flagship MENA Equities Fund, the FIM Mena Horizon Fund, is a long only equity fund that seeks to generate superior returns on an absolute and risk adjusted basis relative to MENA public equity indices. The Fund extracts returns from MENA equity markets through a combination of thematic and bottom-up fundamental analysis that results in a high conviction portfolio reflecting the team's top investment ideas in the MENA region. The FIM MENA Horizon Fund generated 785% in gross returns (423% net) since inception, outperforming the S&P Pan Arab Index by 656% (293% net) in this period.

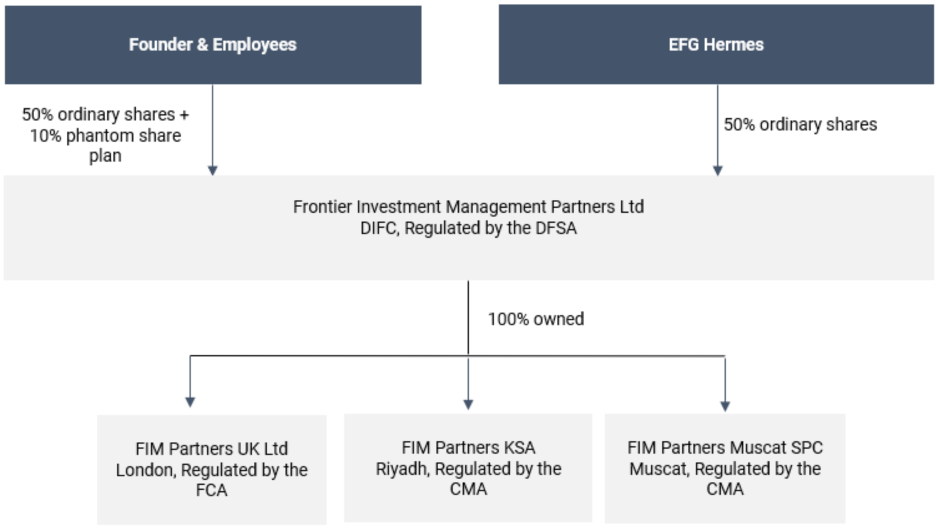
Frontier Equities: The firm's flagship Frontier Equities Fund, the FIM EM Frontier Fund, seeks to provide long-term capital appreciation by monetizing domestically driven secular themes in small emerging and frontier markets via investments in listed equity securities of companies operating in these markets. The Fund extracts returns through a combination of thematic and bottom-up fundamental analysis that results in a high conviction portfolio reflecting the team's top investment ideas. The fund has generated 186% gross returns (99% net) since inception and 212% gross (125% net) outperformance against the benchmark over the same period. The investment universe for the Frontier Strategies is Non-Core EM and Core Frontier Markets.

Saudi Equities: The FIM Saudi Long Term Opportunities Fund is a long only equity fund that extracts returns from the Saudi equity market through a combination of thematic and bottom-up fundamental analysis that results in a high conviction portfolio reflecting the team's top investment ideas. Since inception, the fund has returned 101% net, outperforming the Tadawul All Share Index by 73% in this period.

2.06	Please provide the legal and ownership structure of the firm.

FIM Partners is a private company established in the Dubai International Financial Centre in October 2008. The firm is co-owned equally by its founder, Hedi Ben Mlouka and EFG-Hermes UAE Limited, a subsidiary of EFG-Hermes Holding SAE. EFG-Hermes is a leading financial services firm with extensive capabilities and on the ground presence in emerging and frontier markets built over a thirty-year history.

Figure 2.2 Ownership Structure of FIM Partners



The firm's governing body is comprised of the following executive and non-executive board members:

Directors
Hedi Ben Mlouka, Executive Director, CEO/CIO
Julie Abraham Jadon, Executive Director, CLCO
Mark Heaney, Non-Executive Director, Advisory
Karim Moussa, Non-Executive Director
Karim Awad, Non-Executive Director

2.07	What is the length of the manager's oldest continuously active account or client relationship?

FIM Partners' oldest active accounts has been continuously managed for 10 years. FIM Partners' approach is to seek and maintain long-term partnerships with institutional investors that is consistent with the firm's fundamentally based, long term view towards investing in MENA & Emerging/Frontier markets.

2.08	Please list the key employees of the firm.

The following are the key investment and non-investment professionals involved in the equity strategies:

Investment Team – Equity
Hedi Ben Mlouka, Founder and Chief Investment Officer
Sandeep Srinivas, Portfolio Manager
Junaid Farooq, Portfolio Manager
Mehdi Kaoukabi, Portfolio Manager
Ali Hussain, Head of Research
Charlie Robertson, Head of Macro Research
Matthew Vogel, Macro Advisor
Nabil El Jamali, Trader and Analyst
Ahmed Al-Naggar, Senior Analyst
Saleh Al-Twayan, Senior Analyst
Suveer Arenja, Senior Analyst
Shankar Pathanveetil, Senior Analyst
Maryam Mughal, Sustainability Lead

Non-Investment Team
Julie Abraham Jadon, Chief Legal and Compliance Officer
Arif Mansuri, Chief Operating Officer
Vladimir Djokanovic, Risk and Controls Manager
Abhishek Gujadhur, Financial Controller
Raya Majdalani, Investor Relations

2.09	Describe the Firm's recruitment plans and procedures for hiring staff. Discuss the Firm's approach to staff retention and training.

The firm's staff recruitment process comprises the following stages:

- Searching and shortlisting: The firm generally uses outsourced manpower/recruitment agencies. It is a requirement that candidates applying for roles in control functions have strong academic/professional experience in these areas.
- Interviewing**:** A screening interview is carried out by the reporting line manager, followed by 2-3 (depending on the function and level of seniority) further peer and senior management interviews.
- Background checks: The firm outsources background screening of all potential hires to a third party, Sterling Talent. The screening process involves verification of academic and professional credentials, criminal and credit background, and proof of residencies. AML and 'adverse media'

screening is conducted through Lexis Nexis AML Bridger. Reference checks are also carried out with a minimum of 2 referees from the candidate's most recent employers having (or previously having) direct management or supervision of the candidate. Reference checks are handled in-house.

All staff receive induction training which includes compliance training by the Compliance Officer and function specific training from the direct line manager. On-going compliance and functional training is periodically refreshed, for instance following a probationary review or based on the annual compliance training calendar. These are carried out in-house and/or by outside consultants.

As part of their performance appraisals, the training needs and objectives of staff are identified and addressed internally and/or externally through job-shadowing and training leave (to attend workshops or for study time). The firm provides subsidies for external training. All staff members holding key control functions are required to maintain strong professional qualifications in these areas. The firm carries out mid-year reviews to monitor progress against the KPIs which are set. KPIs include outperformance targets, generation of opportunities and ideas, client service, teamwork, alignment with company core values, learning and development targets, and overall contribution to the firm.

Staff retention is kept high by providing competitive remuneration and incentive schemes as discussed below alongside a meritocratic work environment.

2.10 Please explain your employee compensation/bonus scheme for the investment team

The investment team's compensation structure is tied to the revenues in the form of management and performance fees generated by the strategy in the long-term.The compensation structure has five key elements: (i) basic salary and benefits, (ii) formulaic bonus, (iii) discretionary bonus, (iv) deferrals and (v) equity participation.

Figure 2.3 Remuneration Scheme for Investment Staff

Role	Basic Salary	Formulaic Bonus	Discretionary Bonus	Deferral***	Equity Participation
CIO	Competitive	No	Yes	Yes	Yes
Fund Managers	Competitive	Yes*	Yes	Yes	Conditional
Analysts and Trader	Competitive	Yes**	Yes	No	Conditional

*Formulaic bonus is based on a share of performance and revenue generated from the strategy.
**Analysts are entitled to participate in an aggregated bonus pool which is based on a pre-determined share of the performance fees. The bonus pool is split annually amongst the analyst team based on performance KPIs and contribution to the overall firm and working environment.
***Deferral period is 2 years in equal portions.

2.11 Describe any succession plans in place.

The firm maintains the following processes in order to manage succession and provision for key man risk:

Organizational structure: Maintaining an organizational framework which is conducive to succession training/on the job exposure. For this purpose, the firm ensures team-oriented processes (active discussions and collective decision making through committees), and multi-functional roles (allocating tasks across compatible functions).

HR resources: Monitoring HR resources to ensure adequate capacity and cover. At each annual succession and cover review, senior management consider the following to identify any gaps and (re-)allocate resources accordingly:

- Identification of roles: taking a top-down approach, identifying a group of roles requiring a talent pipeline.
- Identification of cover: identifying potential replacements (internal, external, undetermined and needs further research).

Readiness plan: Identifying requirements for readiness of replacements (management training, leadership training, on the job exposure).

2.12 Describe the activities of the Firm's support functions (Finance and Administration, Human Resources, Compliance/Legal, etc.).

The firm's support functions are comprised of full-time in-house employees who report to the Chief Operating Officer or Chief Legal and Compliance Officer. These are:

- Financial Controller: responsible for firm and fund financial accounting and controls
- Operations Associates: responsible for middle office functions
- Risk & Controls Manager: responsible for operational and portfolio risk management
- Legal/Compliance Associates: responsible for providing general counsel to the firm and funds and for general compliance/MLRO monitoring and administration
- Investor Relations Associate: responsible for investor reporting and communications
- Office administrators: responsible for facilities management, HR management, clerical support and general office support

2.13 Identify key legal and professional advisors to the firm as well as all outsourced functions, if any.

The firm's service providers are as follows:

- **Auditor**: KPMG
- **Legal Advisors**: Simmons & Simmons and Dechert (international)
- **Compliance Consultant**: Vistra Middle East and Kroll Advisory (Duff & Phelps)
- **Internal Audit**: Crowe Mak (outsourced function)
- **Information Technology**: Unified Microsystems (outsourced function)

2.14 Has the current or any previous auditor ever issued a qualified audit opinion on the financial statements of the investment manager or any group entity?

The auditors of FIM Partners and/or the funds it manages have never issued a qualified audit opinion.

2.14 Outline the insurance held by the investment manager.

The firm is insured with AIG as follows:

- **Civil Liability for Manager:** USD 5,000,000 in the aggregate (plus excess of USD 5,000,000)
- **Crime and Property Loss Cover for the Manager and Fund**: USD 5,000,000 in the aggregate
- **Manager Directors and Officers**:
    - Individual’s Personal Cover
    - Corporate Reimbursement Cover USD 5,000,000 in the aggregate
- **Non-Executive Directors Personal Cover - Additional Limit**: USD 500,000 in the aggregate, separately, for each Non-Executive Director capped at USD 2,500,000 in the aggregate
- Extended Costs Coverage: USD 500,000 in the aggregate

End of Section

Section 3. Investment Strategy & Process

3.01	What is the overall investment philosophy and objective for the strategy? Describe the strategy's overall emphasis and please explain why this is an appropriate strategy.

Strategy Objectives

The Fund seeks to provide long-term capital appreciation by monetizing domestically driven secular themes in small Emerging & Frontier markets via investments in public listed equity securities of companies operating in these markets. ESG factors are taken into consideration in the Fund's investment decisions. The strategy targets minimum USD net returns of 15-20% per annum with significant outperformance versus observable benchmarks and a comparable peer group.

Investment Philosophy

The strategy builds a portfolio of quality companies that the team sees as best positioned to capture the long-term thematic trends present in small Emerging & Frontier markets. These key secular themes are expected to deliver outstanding returns compared to the rest of the universe over the cycle.

Our approach is to invest like business owners; therefore, we perform detailed due diligence on the company, its management, and its ecosystem. The underwriting process is underpinned by thematic bottom-up fundamental approaches, where we invest in businesses benefiting from the long-term structural changes. The proprietary bottom-up analysis process established by the firm and extensive deep dive into the investment ecosystem allows us to identify quality investments. Our due diligence process mandates comprise a holistic view of the entire ecosystem surrounding our investments. The quality aspect creates a sustainable long-term edge for the investment, leading to superior returns. Our investment style is best described as "focused on business quality delivering sustainable growth at reasonable and or attractive valuations."

FIM Partners has incorporated ESG as an integral part of its investment due diligence process to ensure that all portfolio investments are compliant with the parameters of our proprietary ESG Framework.

3.02	Please indicate any particular sector or industries in which the fund is more active

The Fund is more active in the below sectors:

- Financials (Bank and Non-Bank)
- Consumer
- Industrials
- Information Technology
- Communication Services
- Health
- Education

3.03	Please elaborate on position sizing in the portfolio.

We determine the size of our positions depending on several factors. We highlight the key ones below:

- **Potential upside**: we typically target a minimum USD IRR of 15-20% for new investments with portfolio sizing dependent on relative upside to other investments in the portfolio.
- **Catalysts**: imminent catalysts, whether be it technical or fundamental, means that the likelihood of return realized quicker is higher. This will typically lead us to size up our position.
- **Diversification**: a new investment opportunity that brings new factors to the portfolio and is less correlated with existing opportunities would likely be sized higher.

It is worth noting that sizing is also a dynamic exercise. As part of our monitoring exercise, increased confirmation of our thesis would lead to an increase in size and vice versa.

Typically for new opportunities, the initial size would be anywhere between 3% and 5%.

3.04	What is the overall approach to portfolio construction? Describe the investment process from idea generation to execution.

The investment process encompasses two pillars i.e. Fundamental Analysis, ESG Integration.

The starting point is investment universe screening which commences with market cap and liquidity filters. We then apply our ESG exclusion criteria to exclude companies based on their country of operations (sanctioned countries), sectors/activities that do not comport with our norms & values ("No-Go sectors"), and violators of the Ten Principles of the U.N. Global Compact.

Fundamental Analysis comprises both qualitative and quantitative aspects. Fundamental attributes sought include but are not limited to: (i) Business Model - significant sustainable and scalable competitive advantage. These businesses are best positioned to benefit from long-term secular thematic trends; and have inherent traits to defend and grow their competitive advantage complemented by high barriers to entry, (ii) Consistently deliver a return on capital that is significantly higher than their cost of capital across business cycles, (iii) Resilient cash flows and balance sheets with a minimal reliance on external capital to support growth prospects, (iv) Management teams with strong leadership & strategic prowess and are aligned with minority shareholders' interests. We rely on proprietary financial analysis to arrive at a valuation range through a combination of in-house developed financial models based on discounted cash flow analysis and applying market multiple to our forecasts. We target businesses whose current valuations reflect a steep discount to our fair value.

ESG Integration entails evaluating all potential investments on a range of quantitative and qualitative criteria through our proprietary ESG Scorecards. The Scorecards measures each company performance across 40+ indicators covering a range of quantitative and qualitative criteria across the ESG spectrum with materiality- based sector weighting. Our scoring methodology employs a Low risk/Best practice to High risk/Minimum criteria with a scoring range of 0-100 with 50 deemed as a minimum inclusion score. Scorecards are updated annually unless a material event occurs in the interim in which case the matter is immediately flagged to the Sustainability Lead and raised to the Investment Committee to ascertain next steps. All portfolio companies are required to complete our management questionnaire along with an ESG KPI supplement encompassing 16 unique data points. We also retain the services of Sustainalytics, a leading global ESG risk rating provider, primarily to assist in flagging controversies for existing and potential investments through their Controversy Alert Tool.

Investment decisions are made during the Investment Committee Meeting and must be formally approved (or rejected) by the Investment Committee (IC). The IC meets weekly and is comprised of the CIO, Fund Managers, Analysts, the Trader and the firm's Risk and Controls Manager. All investment decisions are made at the Investment Committee meeting through a collaborative approach and shared accountability. The decision-making process, following idea generation, consists of a first look meeting, followed by detailed due diligence by the analysts and portfolio managers and concluded by portfolio construction and trade execution considerations. IC decisions are based on a majority vote with Hedi Ben Mlouka as CIO and chair of the Investment Committee retaining veto rights on investment decisions. The decision-making process, following idea generation consists of:

1. First look meeting

   After short-listing a company, the analyst conducts the initial due diligence which includes detailed understanding of the business, primary discussions with the company's stakeholders (management, suppliers, customers) and building basic historical financial model. The Sustainability Lead will also conduct a high-level sustainability due diligence including screening for controversies and evidence of any material ESG risks. The findings of this primary due diligence are presented in the first IC meeting. After evaluating the information, the IC can decline the idea or recommend a detailed due diligence.

2. Detailed due diligence

   - Following approval in the first-look IC meeting, a detailed investment due diligence is conducted. This includes:
     - Company visits, and calls are an integral part of the investment process when underwriting investments. FIM Partners will typically meet with numerous officers and employees of all levels to gain a firm understanding and perspective of the business.
     - In house financial model building
       - Building an in-house model; this includes at least 10 years of cash flows forecast (with at least 3-5 years of explicit assumptions), and a range of fair value estimations (based on DCF, relative value – under different scenarios). The cashflows are stress tested by assuming bull-base-bear case for material business KPIs.
       - Application of risk assessment to equity valuation through incorporation of interest rate and exchange rate views into modelling. In house modelling of country risk metrics as manifested in interest and exchange rates are incorporated into all Investment Committee discussions and numerical outputs into equity returns assessments.
     - Macro framework analysis
       - All Investment Committee meetings incorporate a discussion on the macro view when specific companies are brought for discussion, as well as frequent updates on critical macroeconomic and political events and views that are not company-specific but could become important for the country exposure or a sectoral exposure across the portfolio
     - ESG Integration
       - The Sustainability Lead will circulate a management questionnaire and ESG KPI supplement that the management is required to complete. Based on these responses and public disclosures, the Sustainability Lead will complete the ESG scorecard and provide their overall

sustainability assessment including the final score and any material ESG risks/attributes.

- The FIM Partners investment team undertakes considerable research and channel checks when presenting investment ideas to the investment committee. A typical investment case bundle will include:
    - Company overview note
    - Industry specific research
    - Competitor analysis
    - Financial model
    - Meeting minutes; Analyst calls, Board of Directors etc.
    - Channel checks: site visits, meetings with stakeholders
    - Macro research to assess country, political and currency risk
- The final findings of the detailed due diligence and investment recommendation is presented in the second IC meeting, but the primary analyst, and a decision to accept, reject or watchlist the company is taken by the IC members collectively.

3.05	Which indices would be most appropriate to understand the market dynamics relevant to the strategy and might be ideal for "benchmarking" purposes?

The reference benchmark is the MSCI Frontier Emerging Markets Index (MSCI FEM). However, the strategy is run with a benchmark agnostic approach. Each approved investment idea is included in the master portfolio and forms the investment universe. The CIO and the portfolio managers determine the weight after considering numerous factors as outlined in the investment process, such as the liquidity, market cap and conviction on the opportunity.

3.06	What is the typical number of positions in the portfolio?

The strategy will hold 25-30 positions in the portfolio.

3.07	Define your investment universe?

To determine the investment universe, the investment team apply the following parameters:

- Public listed companies in the small Emerging & Frontier space (MSCI EM ex. BRICS, Korea & Taiwan + MSCI FM)
- With a market capitalization of +US$500million
- With an ADTV of +US$500,000
- ESG exclusion criteria

3.08	What are the diversification guidelines?

Our strategy seeks to build a diversified portfolio and we look at issuer, factor, country and sector diversification. We apply the following strict diversification guidelines:

- Single issuer limit: 15%
- Country limit: 30%

The above guidelines are monitored on a daily basis. Any deviation from these risk guidelines is corrected as soon as it is detected. In addition to the strict guidelines above, the team reviews the factor exposures of the portfolio monthly and ensures that the portfolio is well diversified.

3.09 Does the strategy use leverage? If yes, how is it used?

Leverage is used on an opportunistic basis. The maximum exposure limit is 150%.

3.10 What is the typical portfolio turnover?

The fund has a medium to long term investment horizon and expects to monetize the value of portfolio companies in 2 to 4 years (for successful underwriting). The annual turnover of the fund has historically been 40% on a name basis and 60% on a USD dollar basis.

The investment team takes a long-term view and a high conviction approach, assessing the fundamentals of a company's current and future financial position and performance. Value is added by engaging with management and constantly reviewing and analyzing the risk and performance of investee companies.

A low-turnover portfolio is consistent with this approach as it involves underwriting few ideas with very high conviction which we believe leads to superior returns. In addition, it minimizes trading and operation costs, improving the net returns for investors.

Our model looks to capture returns by owning businesses rather than trading securities. We enter investments on the back of an underlying investment thesis and an underlying return expectation. We would exit our investment under 2 conditions: (1) our underlying thesis was wrong, and the investment rationale is no longer valid or (2) the forward-looking return expectations of the investment are no longer attractive and it is optimal to either take profit or reallocate funds to more attractive opportunities. A large spike in market volatility that changes the forward-looking return expectations of individual securities or any other material news would lead to a high turnover.

3.11 Please describe your buy and sell discipline

The Buy / Sell discipline of the strategy comprises the following factors:

Buy Discipline Factors

- Undervalued relative to the market, historical, and/or peer group valuations.
- Clear catalyst for future fundamental improvement in the business outlook.
- Best expression of risk & return.

Sell Discipline Factors

- Significant change in specific fundamentals or a significant departure from our core thesis.
- Significant over-valuation relative to our best-case fair value estimate.
- Material ESG risk.

As part of the process' sell discipline, portfolio holdings are monitored for any significant underperformance versus their relevant benchmark. A 15% beta adjusted underperformance on a 3m rolling basis triggers an investment review of the position which may in turn reveal new information that the investment team did not incorporate into the original investment thesis. Corporate actions, dividend reinvestment plans, etc. are also included in the fundamental monitoring process.

3.12 How do you manage cash in the portfolio?

The fund invests directly or indirectly in common equities (cash, swaps and p-notes) and hedges through FX forwards. Cash is typically not viewed as an asset allocation target or a market timing tool. Cash levels in the strategy are a reflection of how the portfolio has been constructed to take advantage of the opportunity set. In general, the firm believes in investing only when there are opportunities that clear the fund's internal hurdle rate of return and improve the risk-reward profile of the overall portfolio.

The cash level is typically a natural result of our investment process and the size of the opportunity set at any point of time. We might voluntarily increase the cash level if we think new investments are soon to be included in the approved investment list.

3.13 Please describe your competitive edge?

We consider our competitive edge to include:

High performing team: We are a tried and tested team with a long history of working together and investing in emerging and frontier markets, where we have generated an outstanding record of alpha since inception, regardless of asset class, consistently ranking at the top of fund league tables. The investment team members bring an average of 15 years of professional experience having worked across the institutional spectrum: buy side, multi-lateral financial institutions, sell-side research, rating agencies, and investment banks.

On the ground presence: Our investment professionals are native to our markets and are able to dissect the cultural and social nuances of our diverse investment space. Far from being desktop investors, we have unparalleled access to the ecosystem of our investments from our office locations and through our extensive network of policy makers, economists, academics, industry leaders and wider stakeholders as well as through our relationships with investee companies.

First mover advantage: Our investment process is one that allows us to react to structural and market changes in a country, sector or at a security level, and to enter and exit positions on a timely basis. Our underwriting criteria and deep understanding of the markets allow us to deploy our resources and underwrite investments quickly and efficiently, giving us the first mover advantage.

Smart portfolio construction: We use portfolio construction as a mean to mitigate downside risk and enhance risk adjusted returns over the life of the investment cycle. We aim to have diverse sources of returns while minimizing exposure to risk factors. We favour secular themes over cyclical opportunities ensuring resilience and capital protection for our portfolios in market downturns.

Capacity Constrained: Our strategy has a clear limit in terms of AUMs, ensuring asset performance takes priority over the level of assets under management.

ESG Framework: FIM Partners has incorporated ESG as an integral part of its investment due diligence process to ensure that all portfolio investments are compliant with the parameters of our proprietary ESG Framework. Our due diligence process mandates comprise a holistic view of the entire ecosystem surrounding our investments. The ESG team, composed of senior investment team members across asset classes, hold monthly meetings where updates for their respective department are shared as well as progress on firm-wide initiatives.

3.14	Are there any changes to your approach planned or envisaged in the next 12 months? Describe your strategy for today's market?

We do not expect to make any material changes in the coming 12 months, although we may tweak the strategy from time to time to best reflect market conditions.

End of Section

Section 4. Track Record & Team

4.01 Track record of the fund / strategy

The firm's Frontier Equities Fund, the FIM EM Frontier Fund, returned 99% net (6.8% p.a.) since inception, outperforming the MSCI FEM Index by 125% (9.6% p.a.) in this period.

4.02 Please provide biographies of key investment professionals involved in the fund.

Figure 4.1 Organizational Chart – Public Equities

Board of Directors

Chief Executive Officer: Hedi Ben Mlouka

Public Equities Investment Team	Operations, Risk and Finance	Legal and Compliance	Client Services
Hedi Ben Mlouka Chief Investment Officer	**Arif Mansuri** Chief Operating Officer	**Julie Abraham Jadon** Chief Legal & Compliance Officer	**Raya Majdalani** Investor Relations
Sandeep Srinivas Portfolio Manager	**Vladimir Djokanovic** Risk & Controls Manager	**Amal Al Hadhrami** Compliance Officer	**Fahmi Hamid** Client Servicing - MENA
Junaid Farooq Portfolio Manager	**Mathew Romu** Operations Associate	**Amy Banks** Compliance Officer	**Mike DiMare** Client Servicing - United States
Mehdi Kaoukabi Portfolio Manager	**Ranganath Lepakshaiah** Operations Associate		
Ali Hussain Head of Research	**Abhishek Gujadhur** Financial Controller		
Charlie Robertson Head of Macro Strategy			
Matthew Vogel Macro Advisor			
Nabil El Jamali Trader & Analyst			
Suveer Arenja Senior Analyst			
Saleh Al-Twayan Senior Analyst			
Shankar Puthanveetil Senior Analyst			
Ahmed El Naggar Senior Analyst			
Maryam Mughal Sustainability Lead			

Team Biographies

Hedi Ben Mlouka
Chief Investment Officer
Joined 2008 - Location Dubai

Hedi is the founder and CIO of FIM Partners. Hedi oversees all investment activity of the firm. The funds he manages and co-manages have won several awards and nominations including a top ranking on Citywire for the MENA fund's 3 Year Performance. Prior to founding FIM Partners in 2008, Hedi was a Director at Merrill Lynch responsible for CEEMEA region for equity and equity derivatives where he was instrumental in developing the first structured transactions on frontier markets. Prior to Merrill Lynch, Hedi worked for BNP Paribas. Hedi holds a M.Sc. in Finance and Economics from the London School of Economics and Political Science (LSE).

Sandeep Srinivas, CFA
Fund Manager
Joined 2013 - Location Dubai

Sandeep is a Fund Manager for FIM Partners with over 14 years' experience in regional equities and is responsible for research and analytics with a focus on financials, real estate, construction and utilities and a primary geographical focus on the GCC and the UAE in particular. Prior to joining FIM Partners, Sandeep was a key member of the 'Institutional Investor' ranked Real Estate, Construction and Utilities equity research team at Deutsche Bank. Sandeep has been actively researching MENA equities for 11 years. He is a CFA Charter holder and holds an MSc in Financial Mathematics from University of Exeter, United Kingdom.

Junaid Farooq, CFA
Fund Manager
Joined 2017 - Location Dubai

Junaid is a Fund Manager at FIM Partners with 19 years' experience in asset management and investment banking. Junaid has invested in the region through multiple economic cycles. He joined the firm from EFG-Hermes Asset Management. Prior to joining EFG-Hermes, Junaid worked at Mashreq Bank and was the portfolio manager of their regional flagship fund. Junaid's area of expertise includes banking, insurance, education, and healthcare with a focus on Saudi Arabia, UAE and Egypt. Junaid holds a master's degree in business administration from the Institute of Business Administration in Karachi and is also a CFA and CAIA charter holder.

Mehdi Kaoukabi, CFA
Fund Manager
Joined 2012 - Location Dubai

Mehdi is a Fund Manager for FIM Partners, with over 10 years' experience in regional equities, with a focus on consumer, building materials, and real estate. Mehdi previously worked for BNP Paribas and UBS, where he was responsible for credit structuring. Mehdi holds a master's degree in general engineering from Ecole Nationale des Ponts et Chaussées and a master's degree in Quantitative Finance from PARIS VII University, both in Paris. Mehdi is a CFA Charter holder.

Ali Hussain
Head of Research
Joined 2014 - Location Dubai

Ali is the Head of Research for FIM Partners, with over 15 years' experience in fundamental research. In addition, Ali oversees the implementation of the ESG framework for FIM Partners. Prior to joining the firm, Ali worked at the largest private equity fund in Pakistan as a Senior Manager overseeing the Fund's healthcare and consumer investments. Prior to that he was with the Economic & Valuation Services practice of KPMG LLP in Chicago (USA). Ali earned a B.A. in Economics from Ohio Wesleyan University.

Charlie Robertson
Head of Macro Strategy
Joined 2023 – Location London

Charlie is the Head of Macro Strategy, at FIM Partners. Charlie has more than 25 years of financial industry experience. He was previously with Renaissance Capital, where he worked as Global Chief Economist for more than 10 years, and was rated the top Frontier analyst in every year from 2016-20 in the Extel survey. Prior to that, he worked at ING in the role of Head of EEMEA Research and Chief EEMEA Economist, where he was the top-rated analyst for eastern Europe for 2007-10. In his recent award-winning book 'The Time Travelling Economist' (2022), Charlie explains 400 years of economic development from Europe to Asia, the Americas and Africa and the economic winners to 2070. His TED Global talk has attracted over 1 million views. Charlie has a BSc degree in Economics from London School of Economics and Political Science.

Matthew Vogel
Macro Advisor
Joined 2013 – Location London

Matthew is a Macro Advisor for FIM Partners and is responsible for top-down research on MENA & Frontier sovereigns. Previously, Matthew was Managing Director and Head of the Emerging Europe, Middle East, and Africa Research Team at Barclays Capital, providing coverage on rates, credit and FX products in Emerging EMEA and ranked first in Eleonora survey of top Emerging EMEA research. Before this, he worked for Merrill Lynch and the World Bank in Washington, focusing on Latin America and Eastern Europe/CIS countries. Matthew holds a BA in Latin American Studies and Economics from the University of Texas (1988) and an MA in Economics from the Instituto Torcuato diTella (Argentina, 1989).

Nabil El Jamali
Trader and Portfolio Analyst
Joined 2016 - Location Dubai

Nabil is a Trader for FIM Partners. Prior to joining the company, Nabil was an Equity derivatives trader at Royal Bank of Scotland, focusing on capital guaranteed products, with smart beta strategies as underlying. Prior to that, he worked at BNP Paris as Equity Exotics trader. Nabil holds a Master's in International Finance from HEC Paris, as well as an engineering degree from CentralSupelec.

Shankar Puthanveetil
Senior Analyst
Joined 2021 - Location Dubai
Shankar is a Senior Analyst at FIM Partners with over 10 years' experience in regional equities. Prior to joining FIM Partners, Shankar was part of HSBC's Emerging EMEA equity research team where he focused on consumer and healthcare sectors in Middle East, Africa as well as Eastern Europe. Shankar holds a master's in management from the Indian Institute of Management.

Suveer Arenja
Senior Analyst
Joined 2019 - Dubai
Suveer is a Senior Analyst for FIM Partners, performing fundamental research on the education and healthcare sectors, and with over 13 years' experience in investment research. Prior to FIM Partners, Suveer was a Director - Investments & Strategy at Al Najah Education, focused on acquisitions in the MENA and South East Asia education sectors.
Prior to that, Suveer was part of the investment team of L Catterton Asia, a global private equity firm, where led the firm's expansion to the Middle East. He holds a BSc. In Economics from The Wharton School, University of Pennsylvania

Ahmed El Naggar, CMA
Senior Analyst
Joined 2018 - Location Riyadh
Ahmed is a Senior Analyst for FIM Partners, responsible for research and analytics with a focus on the Saudi market. Prior to joining FIM Partners, Ahmed was a part of portfolio management team at EFG-Hermes KSA. He is a CFA level 3 candidate, CMA charter holder and holds a bachelor's degree in accounting from Mansoura University, Egypt.

Saleh Al Twayan
Senior Analyst
Joined 2020 - Location Riyadh
Saleh is a Senior Equity Research Analyst for FIM Partners. He performs fundamental equity analysis on MENA stocks and is responsible for covering several sectors with a focus on petrochemicals, industrials and mall operators in Saudi Arabia. He joined the business from Gulf International Bank in Saudi Arabia. Saleh holds a Bachelor's degree in Finance & Economics from the University of St Thomas.

Maryam Mughal
Sustainability Lead
Joined 2020 - Location: Dubai and remote
Maryam is the Sustainability Lead for FIM Partners, overseeing the implementation of sustainability initiatives across the firm's products. Maryam joins the firm from a leading Scandinavian Asset Manager where she worked as a Sustainability Advisor for six years. Prior to that, Maryam was a Project Coordinator for the Anti-Fraud Hotline and Advocacy and Legal Advice Centre at Transparency International Pakistan, and also an advisory board member for the Youth Movement for Transparency Asia-Pacific. Maryam Has a Bachelor of Laws from the University of London and a Corporate Finance LLM from the University of Westminster.

4.03	Do you have a dedicated research team? Please provide details on the research used to define your strategy

FIM Partners conducts most, if not all, of its research in-house, using primary and secondary sources of quantitative and qualitative data. Data sources include:

- Access to the investee company, executive management, and investor relations
- Company financials
- Analyst calls
- Bloomberg
- Reuters
- GLG Expert Network
- Access to IMF / World Bank officials
- Financial/economic media

In the section on Portfolio Construction, we discuss the Research & Screening process in more details.

4.04	What is the policy for personal trading accounts? What is the process for reviewing personal account activity? Who reviews it and how often?

Under the firm's Code of Ethics and PA Dealing Policy, employees are permitted to invest in the firm's products, but personal account trading is prohibited. Employees with legacy investments may be permitted to sell with approval from the Compliance Officer. Personal brokerage accounts and investments are reviewed by the Compliance Officer upon an employee joining the firm and then on a quarterly and annual basis.

End of Section

Section 5. Trading and Operations

5.01 Who has the authority to execute trades and how are these captured? Please describe members of the trade execution group.

Only the firm's authorized trader (or his alternate) has authority to execute trades. Orders are generated by portfolio managers on Bloomberg AIM and in the market by the trader.

Filled orders are entered into the order management system electronically by means of live FIX connections between the firm and the Brokers' datacenters. Trades are reviewed by the firm's operations team, and once affirmed, released into the portfolio management system.

5.02 Is there an order management system (OMS), a portfolio management system (PMS) and a back office system? Is there a clear separation of functions between front and back office?

The firm uses the Bloomberg AIM OMS and the Advent Geneva PMS. Through these systems, the front office and back office functions are segregated, and the trade flow is fully automated as described below. Trade orders are generated by the Fund Managers via Bloomberg AIM. Once generated, trade orders are checked against pre-trade investment restrictions, in the compliance module of Bloomberg AIM. Only orders which pass the pre-trade investment restriction checks will be passed to the trader for execution.

Trade fills are captured electronically and aggregated using a trade-matching engine (OMGEO CTM). Exceptions are dealt with immediately and matched trades are pushed into Bloomberg's STP module from where SWIFT or SFTP file (for any PB / Custodian not accepting SWIFT) instructions are generated and sent. Confirmed trades are also sent electronically from the Bloomberg AIM OMS to the PMS, which is calibrated to produce portfolio P&L, positions, risk exposures and daily NAVs.

Reconciliations against prime brokers and custodians are performed on T+1, using an automated reconciliation tool (Advent Geneva Advantage) which highlights exceptions and discrepancies for review and action. All processes are based on a four-eye review procedure, whereby there is a dual sign off for any exception within the operations group. There are three types of reconciliations performed daily for each portfolio / fund: cash, position, and transaction. The Advent Geneva Advantage reconciliation tool automates the reconciliation process and highlights exceptions to be investigated and resolved by the Operations team and acts as a control measure, with an official start and end of day sign-off by one member of the Operations team followed by a further sign-off by another member of the team.

5.03 What is the settlement process and what is the role of the various parties (the fund, its administrator, its prime broker and its custodian)?

The steps of the trade flow are as follows and are illustrated in Figure 5.1 on the following page.

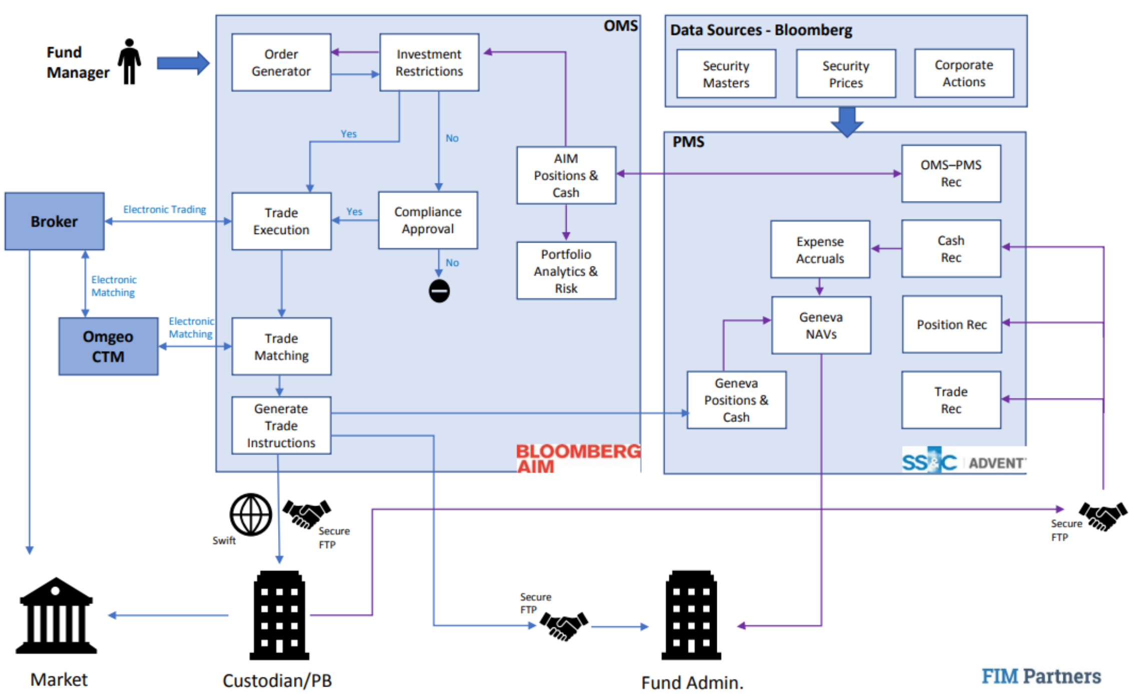
- Once trades are confirmed, the Operations Associate can release SWIFT instructions from the AIM STP module to the fund's prime broker / custodian. This can be done intraday and requires no additional re-keying of data as all SSI's and instruction data is pre-populated.

- On T+1, all trades from the previous day are reconciled against the daily trade blotter from the Prime broker or Custodians' reporting platforms. Any breaks are investigated, commented on and signed off following a 4-eye review.
- The Fund Administrator file export procedure is administered to release the trade activity for inclusion in the Fund's NAV
- If there are any discrepancies on T+1, the Operations Associate reports them to the Risk & Controls Manager and the Portfolio or Fund Manager.
- The Prime Broker or Custodian are advised to solve the discrepancies against the specific counterparties.
- Once solved, the Risk & Controls Manager advises the Administrator by sending the potential updated trades.
- Settlement Monitoring - on T+1, the trades are reflected at the prime brokers or custodians with pre-matching in markets where this is available. Operations monitor all trades before settlement to clear out all possible trade discrepancies before settlement date.
- If a trade is not settled on settlement date, the trade will be monitored and escalated by the Operations team until the issue has been resolved.

It is the responsibility of the assigned person(s) to ensure that the pre-matching is completed in accordance with any specific market conventions or nuances, and in doing so they must communicate with both counterparties and Custodians/Prime Brokers; acting as a liaison between the entities. This sign-off mechanism ensures the assigned person(s) has taken the necessary steps to ensure that all trades due for settlement within pre-identified high-risk markets have indeed settled.

The assigned person(s) must communicate with both counterparties and Custodians/Prime Brokers; acting as an intermediary between these entities in ensuring that there are no outstanding failing trades. If, for whatever reason, a trade has failed to settle on time in the market, the necessary means of escalation should be executed by the assigned person(s).

Figure 5.1 FIM Partners Trade Flow Diagram



5.04 How and when are the executed trades allocated to accounts?

All orders must be pre-allocated via Bloomberg AIM. Refer Figure 5.1 for FIM Partner's Trade Flow Diagram.

5.05 How is macroeconomic analysis incorporated in the process?

The macro approach leverages our network of: senior business figures, policy makers, academics, industry leaders and senior economist to identify the portfolio themes. This involves a deep analysis of economic data and a thorough understanding of regulatory trends. In a sense, it represents an input for the bottom-up analysis through idea generation. The macro approach also intervenes throughout the bottom-up process by helping to understand any potential economic/regulatory changes that might compromise the investment thesis as well as understanding risk factors affecting our investments both locally and globally.

The top-down macro approach complements the bottom-up thematic approach. FIM Partners uses its proprietary macro scoring, which is derived from in-house macro modeling and by having dialogs with policymakers/senior officials from international organizations (such as IMF, World Bank and embassies). The aim is to determine the relative attractiveness of each country and sector.

5.06 Does the company make use of "soft dollars"?

The firm does not use soft dollar arrangements. Any such arrangements would require approval of the Compliance Officer before coming into force.

5.07 Describe your best execution policy and outline how this works in practice, including staff's selection of venues.

FIM Partners has in place a Best Execution Policy, that ensures optimal transaction conditions and fair treatment to all clients. Under the firm's Best Execution and Allocation Policy, the following factors are considered to determine the way the orders are executed:

- Speed
- Likelihood of settlement
- Size of the order
- Costs
- Nature of the order; and
- Other considerations relevant to the efficient execution of the order

The trader will place trades for execution only with brokers on the firm's list of approved brokers. The level of importance of such criteria is determined using the following execution criteria:

1. The characteristics of the execution venues (primary issue versus secondary market; in the former case, the issuer's agent is used or else the broker best placed to offer liquidity; in the latter case the trader will make order enquiries through its network of brokers);

2. The characteristics of the order/financial instrument (for listed securities, the selection of brokers will be made based on price and quantity of stock for each execution)
3. The characteristics of the client (compliance with the client's investment strategy/restrictions)

5.08	Describe the process for identifying trade errors and explain how these are addressed, escalated, and resolved.

By definition, a trade error consists of either buying or selling a quantum of securities different from what was intended or buying securities when the intention was to sell – or vice versa.

A trading error may become apparent immediately when a trade is placed. Errors may also be identified subsequently by the firm's operations team as part of any later reconciliations process. The firm may also receive notification of errors from its prime brokers and settlement agents, executing brokers or the client's administrator.

Where a trading error occurs, it is immediately reported to the COO and the Compliance Officer. Details of the error is recorded on a Trading Error Form which is then kept on file. Trading errors that have a value of 1% of the NAV of the relevant portfolio are notified to the board of directors or the managed account client.

The firm's operational infrastructure has an embedded set of controls to monitor trade activity and identify violations throughout the trade lifecycle. Namely, orders are placed in the system by the PM and passed through the compliance engine before being sent to trader for execution. There are firm-wide rules such as a fat finger rule to flag any order that exceeds 5% of a portfolio's AUM for review and validation, which, alongside portfolio-specific guidelines and restrictions, prevent immediate violations at the pre-trade stage.

The firm's Risks & Controls manager monitors the trading activity in real-time via Bloomberg's EMSX platform and can identify potential errors by reviewing live orders versus orders that were approved by the Investment Committee. A post-trade three-way review process, systematic trade matching and reconciliation ensure that the information of the firm, Broker's and Custodian is intact and accurate. When a trading error has been identified, FIM Partners will keep the error under observation until it is possible to establish whether a profit or loss to the Client has materialized or will materialize. Where a profit arises as a consequence of the trading error and such profit is not required to be repaid to a third party, such profit will be allocated to the client in its entirety (subject to terms of the client agreement).

For errors that are the responsibility of a third party (e.g. prime brokers or executing brokers), FIM Partners will use reasonable endeavors to have them rectify the error. For errors that are caused by the gross negligence of the firm, any resulting losses above a de minimis threshold of ten bps per quarter (based upon the relevant portfolio's average assets of the given quarter) will be borne by the firm (subject to client agreement or regulatory requirements).

5.09	Describe the valuation policy of the Fund and the frequency of the valuations. What is procedure to ensure a true independent pricing?

All listed securities are priced daily using independent pricing sources. The methodology of how each product is valued is detailed in the Valuation Policy of the Firm. Unlisted securities are treated in accordance with the Valuation Policy and agreed by the Valuation Committee. The valuation policy is reviewed on at least an annual basis by the Fund Boards. The valuation process is as follows.

Daily P&L Profit & Loss (Gross) T+0
Within Bloomberg AIM the Investment team can see real time updates of the portfolios including intra-day trades and are able to see the P&L impact accordingly to show indicative returns (NB this is before all data is fully reconciled).

Profit & Loss (Gross) T+1
P&L data for the reconciled portfolio is available from Advent Geneva daily. Estimates of Daily, MTD, WTD, YTD and ITD performance and NAV, together with a relevant P&L breakdown are circulated internally.

NAVs
The valuation points for each product are defined in the respective IMA/PPM document and range from daily to weekly to monthly to quarterly NAVs. As part of our shadow accounting function the Firm independently calculates a NAV and reconciles against the administrator. The valuation procedure is as follows:

1. A gross portfolio report is produced by Fund Accounting, reflecting the end of period gross market value of each fund/managed account. This is reconciled against the gross income provided by the Administrator. Any discrepancies identified are investigate further with the respective Administrators. Once all discrepancies have been resolved the final valuation is reviewed and signed off by the Risk/Controls Manager.
2. Detailed P&L per security is then reconciled and reviewed for consistency.
3. All trades match owing to the daily reconciliation;
4. Once the P&L is agreed, the Administrator provides the NAV pack.
5. Fund accounting performs a first review and a second review is performed by the Risk & Controls Manager or the COO. The NAV produced independently by the Administrator is then signed off.

5.10 Please provide details on any third-party providers used by the fund.

The Fund utilizes the following third-party service providers. Further information can be found in the Fund's Offering Memorandum.

- Administrator: BNY Mellon
- Global Custodian: HSBC Bank

FIM Partners conducts periodic reviews of the services levels delivered by third party providers. The following reviews are undertaken for each of the below mentioned key third-party service providers:

1. **Fund Administrator:** Monthly reports are published with KPIs and reconciliation breaks. These are reviewed and any questions covered in the monthly service review call. In addition, monthly calls take place every month with each administrators and cover service issues, ongoing projects and account set ups
2. **Custodian / Prime Broker:** Monthly reports are reviewed to assess service level delivery. In addition, monthly calls take place every month with each Custodian / PB and cover service issues, ongoing projects and account set ups

Additionally, FIM Partners' is able to compare service levels and pricing between providers as it utilizes more than one Fund Administrator / Custodian. In addition, periodic RFI processes enable the firm to obtain additional insight on pricing and services. Service levels are also reviewed at management meetings.

5.11	Describe your third-party provider selection and approval process.

An RFP would be sent to a “long list” of service providers.

The RFP responses would be reviewed, by the firm’s project team, against key selection criteria, and the long list narrowed down to a short list of preferred providers

Examples of selection criteria for Fund Administrator / Custodian:

- Market Coverage
- Service Team – location and working days/hours
- Fees
- Financial Strength of the business
- Experience – size of business / similar clients already supported
- Systems & Controls – automation levels of internal processes & controls and automation to / from FIM Partners
- Cyber security policy and controls
- Other Services – Fiduciary services, Trade Execution, FX and Cash Management

Proposed shortlist with scoring against the selection criteria would be presented to the project team for consideration and approval. More detailed due diligence and testing would be done with the shortlisted service providers, including reference checks and onsite visits as required, as well as preparation of an implementation plan and cost / benefit analysis.

A final recommendation would be presented to the FIM Partners’ senior management and Fund Board / FIM Partners’ Board (as appropriate) for approval.

5.12	List and describe any software that the Firm uses for business functions like portfolio management, trade order management, administration and risk?

The key applications utilized by FIM are - Bloomberg AIM (Front Office – OMS), Advent Geneva (Back Office – PMS) and Bloomberg PORT (Risk).

Bloomberg AIM is utilized by the Front office for portfolio management, including order generation, and for trade execution. Bloomberg AIM is utilized by the Middle Office for compliance and risk restriction monitoring and for post trade confirmation and instruction to the Custodian / PB and Fund Administrator.

Advent Geneva is utilized by the Back Office to maintain FIM Partners’ shadow accounting records. Reconciliation procedures are performed in Advent Geneva. The system automatically reconciles Geneva to AIM as well Geneva to the Custodian / PB data. A daily file is pulled from AIM to reconcile automatically positions to Geneva. In addition, Geneva has been calibrated to pull daily reporting of cash, positions and trade activity via sFTP from the Custodians / PBs, where daily reporting has been scheduled.

In addition, the risk management team and investment team are responsible for monitoring risk metrics daily, using inhouse proprietary risk tools and Bloomberg’s Portfolio and Risk Analytics tool (PORT), both of which use proven risk methodologies (historical value at risk, stress testing, and scenario analysis). PORT provides the tools to understand the structure of the portfolio, analyse the positions and active bets, and explain the drivers of historical performance and potential sources of future risk.

5.13	Explain your process around application/system change management.

FIM Partners does not develop its own applications, so there is no requirement for separate environments and processes to manage the release of code changes.

For the key applications used by FIM Partners, Bloomberg AIM and Advent Geneva, the vendors manage the code change process and notify FIM Partners in advance whenever a new version of the software is going to be released into production. The Operations team will liaise with the vendors to ensure any key changes are understood and tested prior to release as necessary. For Advent Geneva, FIM Partners also have access to a staging environment to allow for User Acceptance Testing.

5.14	Describe the process to take on new clients for segregated accounts. Where client take-on is the responsibility of an external party, discuss any oversight you have over their process.

Client take-on is handled in-house. Once the business line has assessed the scope of the proposed mandate and its compatibility with the firm's service offering, the process requires input from the following functions:

1. **Compliance/MLRO**: client assessment by the Compliance Officer and MLRO, and for high risk clients, sign-off by senior management. The client assessment process is outlined in the firm's client take-on forms which is as follows: collection and verification of client information, screening, client classification, risk rating, summary of assessment, and approval. Unless a client is assessed to have an unacceptable risk profile, the firm may proceed to do business with the new client.
2. **Legal**: assessment and implementation of legal structure (collective investment vehicle, sub-advisory arrangement, or segregated account) and contractual requirements.
3. **Operations**: Assessment of operational and reporting requirements including system calibration, broker on-boarding, custodian set up, and billing set up. The process is kicked-off between the Risk & Controls Manager and a counterpart from the client's operations team to agree timetable and procedures, followed by similar coordination with the client's custodian to establish system connectivity and reporting for reconciliations and to complete SWIFT handshakes for trade settlement instructions. The client's respective SSIs would be onboarded internally followed by onboarding of the firm's approved brokerage counterparts for trade execution

5.15	How will investment opportunities be allocated between accounts? Discuss any funds and/or separate accounts with potential allocation considerations.

When allocating trades to separate pools the portfolio manager will always act in accordance with the prospectuses of the relevant pools and in the best interest of the investors of each pool.

FIM Partners will ensure that when allocating transactions between separate pools the allocation is made in a transparent manner in accordance with its trade allocation policy. This will be of importance should only partial fulfilment be achieved, or if any order is executed in a series of trades that have different prices.

In deciding on the allocation (order size) for each pool, the portfolio manager takes the following into consideration:

- the investment strategy and objective of the relevant pool;
- the risk profile of the relevant transaction;
- the existing risk profile of each pool separately (prior to allocation of the transaction);

- the impact on the pool’s risk profile as a result of any allocation;
- the comparable size of the assets under management of the pool; and
- the comparable size of un-invested cash of the pool.

In the event that the above criteria in respect of the relevant pools in the reasonable discretion of the portfolio manager are equal, the portfolio manager shall, if possible, allocate the transaction to the pools on a proportional basis.

Orders generated for entities which follow a similar strategy are automatically aggregated prior to the trade being created and sent for execution. The operations team monitors whether the final executed trade is allocated in different proportions to the pre- allocated order. If it has been allocated in proportions different to that originally intended, then the Compliance Officer is informed of the trade and the reasons for the allocation change to ensure that any possible conflicts of interest are considered and addressed appropriately. This process applies to orders on both primary and secondary markets.

End of Section

Section 6. Risks and Controls

6.01 Summarize your risk management framework.

The Risk Committee and the Risk & Controls manager are responsible for monitoring portfolio risk, independently of the portfolio managers. Day to day risk oversight is the responsibility of the Risk & Controls Manager who reports to the COO and to the firm's board of directors. The Chief Legal and Compliance Officer has overall responsibility for compliance within the firm and reports directly to the firm's board of directors.

The Risk Team is responsible for establishing and securing the implementation of the risk policy framework. It reviews major developments related to risk and risk-adjusted returns as well as addressing risk policy issues as needed. The risk policy cannot be amended without formal approval from the COO.

Risk limits

Risk limits are coded into the pre-trade Compliance Module of the Bloomberg AIM OMS, so any trades which would breach these hard limits are blocked. The Risk & Controls manager monitors daily any breaches post trade (which may be driven by mark to market movements) and will immediately raise them with the PM to rectify the breach. If the breach is not rectified on T+1 the Risk & Controls Manager will escalate to the COO, who will instruct the PM, or CIO as appropriate, to rectify the breach.

Risk reporting

The Risk Team has developed a comprehensive monthly report for the Risk Committee that incorporates various risk metrics which are monitored historically (such as break down of exposure and risk by country, sector and market capitalization), liquidity analysis at strategy level as well as overall firm level, and shows the portfolios' current usage of mandate limits and their exposure to stress scenarios which may not be explicitly referenced in their mandate. The COO and the CEO as members of the Risk Committee, receive the monthly risk reports.

The Risk & Controls manager also prepares a quarterly risk report for the Internal Controls Committee (ICC) and the firm's Board, which will cover any portfolio risk items of note, as well as broader operational risks. The Chief Legal & Compliance Officer and COO are both members of the ICC so receive and review the risk report.

6.02 What is the risk-management philosophy of the firm?

The firm's risk management philosophy is one that balances investment management and risk management to achieve the optimum outcome for investors i.e. maximizing investment returns, whilst mitigating risk. In particular, the Fund achieves risk mitigation by investing across three return streams (income sleeve, credit sleeve and macro-overlay) that are uncorrelated to each other and diversify risk and produce returns under different market conditions.

FIM Partners has robust risk management controls and procedures that are managed and reviewed by a dedicated team, with oversight from the senior management. The firm employs both bottom-up risk management and top-down oversight.

Bottom-up risk management
FIM Partners believe that extracting economic value from trading activities is a function of effective risk management and therefore, from a bottom-up perspective, risk management is a fundamental element of the portfolio management. FIM Partners set the investment guidelines of each portfolio according to its investment mandate; include details of risk limits and stop-loss levels and it is the Investment Team's sole responsibility to manage their portfolio in accordance with the relevant mandate.

Top-down oversight
FIM Partners has developed a risk management and corporate governance framework that aims to oversee and manage all investment, operational and business risks impacting the different portfolios. This framework includes, among others, a Risk Committee, chaired by FIM Partners' Chief Operating Officer, and an Internal Control Committee chaired by FIM Partners' Chief Legal and Compliance Officer. The Risk & Controls Manager is responsible for the development and production of risk reports, derived from a proprietary in-house system.

The role of the Risk Team includes:

- Qualitatively interpreting the risk reports
- Monitoring compliance with portfolio mandates and overall portfolio risk guidelines
- Identifying additional potential risks
- Communicating risk information to the Investment Team and senior management
- Qualitative analysis of individual portfolios and strategies, and identifying strengths and weaknesses
- Assisting the Investment Team with appropriate risk management
- Flagging liquidity and capacity risk

6.03	Describe how you monitor and manage risk, detailing the controls in place.

Our approach is to have a combination of qualitative and quantitative approach to risk: While the risk management team is independent and has a rules/ limits driven approach to risk, the investment team looks at more subjective sources of risk (regulatory, geopolitical, commodities, interest rate cycle, etc) and stress tests the portfolio accordingly.

The risk management team and investment team are responsible for monitoring risk metrics on a daily basis, using inhouse proprietary risk tools and Bloomberg's Portfolio and Risk Analytics tool, both of which use proven risk methodologies (historical value at risk, stress testing, and scenario analysis). These tools allow us to gain deeper insight into the portfolio by providing the means to understand the structure of the portfolio, analyse the positions and active bets, and explain the drivers of historical performance and potential sources of future risk. These tools provide a streamlined workflow that includes intraday performance monitoring, fundamental characteristics, historical performance attribution, ex-ante tracking error, scenario analysis and portfolio optimization.

1. **<u>Market Risk</u>**

FIM Partners monitors specified risk metrics and limits for each Fund / Mandate. Additionally, FIM Partners monitors:

- Real-time notional amounts
- Live prices
- Breakdown per sector
- Fund/managed account AUM
- Finally, risk is monitored through stop-loss (soft) policies at specified levels.

Day to day risk oversight is the responsibility of the Risk & Controls Manager. Risk reporting information produced by the Risk Team in addition to the Risk Team's detailed knowledge of the different portfolios are used as the stimulus for discussion of the quantitative and qualitative aspects driving trade decisions and appropriate sizing. Any concerns are subsequently communicated to the senior management.

The **Risk Committee** considers the market risks and performance of each portfolio. In this context, the committee considers trade performance, trade sizing, correlation of different risks, scenario exposures and a variety of stress tests, both at portfolio and individual position level. The Risk Committee may comment on the downside risks of any position, whether there are market risks or other risks, even if they are within risk limits. The Risk Committee makes recommendations to the Board of Directors of FIM Partners as and when required. FIM Partners' risk management process combines bottom-up risk management with top-down oversight.

Bottom-up risk management: the investment process described above allows FIM partners to take into account corporate governance, health of the balance sheet and quality of financials. We believe that our process naturally embeds a certain level of risk management. In addition, FIM Partners set the investment guidelines of each portfolio according to its investment mandate; include details of risk limits and stop-loss levels and it is the Investment Team's sole responsibility to manage their portfolio in accordance with the relevant mandate.

Top-down oversight: FIM Partners has developed a risk management and corporate governance framework that aims to oversee and manage all investment, operational and business risks impacting the different portfolios. This framework includes, among others, a Risk Committee, chaired by the firm's Chief Operating Officer, and an Internal Control Committee chaired by FIM Partners' Chief Legal and Compliance Officer. The Risk & Controls Manager is responsible for the development and production of risk reports. The role of the Risk Team includes:

- Qualitatively interpreting the risk reports
- Monitoring compliance with portfolio mandates and overall portfolio risk guidelines
- Identifying additional potential risks
- Communicating risk information to the investment team and senior management
- Qualitative analysis of individual portfolios and strategies, and identifying strengths and weaknesses
- Assisting the investment team with appropriate risk management
- Flagging liquidity and capacity risk

Portfolio risks are monitored on two levels:

Risk Limits: Risk limits are hard constraints that must be observed other than in exceptional circumstances. Examples of risk limits include VaR limits, drawdown limits, concentration limits, duration limits and credit quality limits for fixed income portfolios, specific exposure limits for less liquid or more risky instruments or markets and the ban on dealing in instruments that are not defined within the individual mandates.

Risk Flags: Risk flags indicate whether Portfolio/Fund Managers are taking large risk positions relative to predefined levels. Risk flags are in place to assist overall risk control at the overall portfolio level and promote discussion with the Risk Team and senior management as to what action should be taken if a portfolio exceeds a flag. Examples of risk flags include gross exposure, net exposure and scenario flags.

Risk monitoring incorporates an assessment of mainly Equity, FX and liquidity risk at the individual position level and the overall portfolio level as well as credit and interest rate risk for fixed income portfolios. As the spectrum of products increase, the risk oversight will expand to interest rate, and credit spread and volatility. This risk monitoring is very broad, including high level directional risk reaching down to low-level idiosyncratic risks. The focus is consistently on the potential for loss in stress scenarios. In addition, convergence, correlation and aggregation of risks at the overall portfolio level is monitored, using mainly qualitative methods.

2. **FX Risk**
   - Foreign currencies are monitored and hedged according to the Investment Team's views.

Any breaches of risk flags and limits are noted, advised to the Investment Team and to senior management, investigated, and then resolved with the resolution noted. Furthermore, the Risk Team can issue remedial instructions to the Investment Team such as reducing the risk of a position or cutting a position entirely.

Risk Reporting

- The investment team has access to intraday risk reports on Bloomberg's Portfolio and Risk Analytics tool detailing the risks in their portfolio including information on VaR utilization, volatility, percentage risk contribution vs percentage weighting, stress tests results and risk sensitivities.
- VaR Calculation Tool: To assist in managing VaR exposure the Risk Team utilises the Bloomberg factor models in a way that makes the VaR consistent with portfolio tracking error and volatility, which are computed using the same factor models.
- Monthly Reports: The Risk Team has developed a comprehensive monthly report that incorporates various risk metrics which are monitored historically (such as break down of exposure and risk by country, sector and market capitalisation, as well as by duration, maturity and credit rating for fixed income portfolios) and shows the portfolios' current usage of mandate limits and their exposure to stress scenarios which may not be explicitly referenced in their mandate.
- Risk information is available to senior management as follows:
- Daily trading activity reports (at line level and also with varying levels of aggregation)
- Daily and intraday portfolio risk reports, including exposures, VaR, stress test results and tracking error
- Risk Committee data pack and minutes of meetings

Stress Tests
Scenario tests that are designed to capture more extreme moves than the 99% one-day VaR are run regularly and can provide insight into more extreme events at the overall portfolio level. A number of historical and user defined scenarios are included in these stress tests, and are vital for identifying risk extreme events, given that the portfolios' P/L profile is non-linear in most cases.

Tail Hedging:
FIM Partners does not have a tail hedge policy per se. This being said, the DNA of the Investment lies in entering positions that achieve asymmetrical risk/reward positions. Portfolio construction plays an important role in tail risk management and another key to mitigate tail risk is putting together a diversified portfolio of low correlated assets. Portfolio pairwise correlations are closely monitored and have ranged historically to the low side. Aggregated at the portfolio level, the collection of positions grants to the portfolio a limited loss profile in case of a tail event.

3. **Liquidity Risk**

The liquidity of each security is monitored and tested prior to any trade and on ongoing basis.

The investment team sizes positions in such a way that position risk can be mitigated quickly should liquidity conditions become more difficult. As such, positions are sized according to the ability to express the view in a risk-controlled manner.

A liquidity risk section is an important part of the Risk Committee. This section reviews reports on each portfolio's liquidity risks. These reports cover information and analysis which enable the committee to understand the level of liquidity risk. The following variables are monitored on a daily basis, in normal and stressed market conditions:

- Equity positions in relation to market capitalization and volume
- Internal limits on position size
- Time and cost of liquidation of the portfolio
- Bid-ask spread analysis and monitoring of the aggregate amount outstanding for individual fixed income securities

The Monthly Risk Report includes Liquidity Profile, which allocates equity portfolios in to six user-defined liquidity buckets for simple analysis of the portfolio liquidity. This analysis gives percentage portfolio that can be liquidated for a specified percentage participation rate and volume history. Another chart gives the summary of the expected transaction costs in the basis point for liquidating the portfolio with varying participation rates and number of days.

In addition, the Monthly Liquidity Risk Report is also prepared which highlights the most illiquid stocks at an aggregate level for all the equity portfolios. This report highlights the number of days and the cost it will take to unwind the stock from across all the portfolios.

6.04 Is the portfolio stress tested? What methodology and assumptions are used?

The portfolio is stress tested to incorporate different refinancing scenarios to assess FX liquidity and solvency risk in the country, including rollover risk by the private sector, market access of the public sector, capital flight, deposit conversion, and any other sources of currency demand.

Scenario tests that are designed to capture more extreme moves than the 99% one-day VaR are run every morning and can provide insight into more extreme events at the overall portfolio level. About 10 historical and user defined scenarios are included in these stress tests, and are vital for identifying risk extreme events, given that the portfolios' P/L profile is nonlinear in most cases.

6.05 Please provide the details of how the firm deals with any breaches?

There are two types of breaches that typically arise in the process:

a) **Passive breaches**

Monitoring process: risk limit breaches brought about by movement in the price of securities in the portfolio are identified by the Risk and Controls Manager and flagged to the trading and portfolio management teams on an immediate basis. In practice, passive breaches can be rectified immediately. The process allows for passive breaches to be rectified on a T+1 basis given liquidity characteristics and operational constraints associated with some of the fund’s target markets. If the breach is not rectified within the timeframe, the breach is escalated to the firm CEO and COO who in turn instruct the portfolio manager to rectify the breach. If the breach remains, the CIO has the authority to directly trade and rectify the breach.

b) Active breaches

Monitoring process: the firm has pre-set guidelines and risk limits incorporated into the Compliance module. All orders generated by the fund’s trader are entered in the module which the Risk and Controls Manager must clear before these trades are passed onto the executing brokers via the Order Management System (OMS). This process ensures that portfolio managers and traders are not allowed to enter any trade that would create an active breach. In addition, any orders that have been approved by the investment committee are simulated ex-post to provide a full overview of the changes to the risk characteristics of the fund that may not be captured by the risk limits and guidelines.

6.06	Please outline your process for the correction of pricing errors and correction of breaches of investment and borrowing limits. How are breaches escalated and reported and, to whom?

FIM Partners runs a shadow accounting process, using Bloomberg as the primary data source for pulling daily prices. As part of daily P&L reporting, the firm closely reviews any daily price movements that exceed +/-5%. Official valuations are produced by the Fund’s administrator, against which the firm’s records are reconciled as well at the time the NAV is cut. Any pricing discrepancies identified are investigated with the administrator and once resolved the final valuation is reviewed and signed off by the Risk & Controls Manager.

In terms of capturing and correcting breaches of investment and borrowing limits, all investment guidelines are coded as limits in the AIM compliance module for pre-trade and post-trade compliance reviews and escalation. In addition, the firm’s Risks & Controls Manager monitors the trading activity in real-time via Bloomberg’s TSOX platform and can identify potential errors by reviewing live orders.

6.07	Describe the valuation policy of the Firm and the frequency of the valuations. What is procedure to ensure a true independent pricing?

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6.08	Describe any material deviations between the firm’s investment performance methodology and the Global Investment Performance Standards (GIPS).

FIM Partners does adhere to fundamental principles of full disclosure and fair representation of investment performance as per GIPS standards, despite not being GIPS certified.

FIM Partners' funds and managed accounts are independently verified and approved by a third-party administrator, typically, regulated banks who are defined as GIPS compliant. Our funds are audited annually by independent Big Four external auditors PwC and KPMG. The firm has never had to restate a NAV and distributes fund/account data on a weekly, monthly, quarterly and annual basis; depending on the investor requirements. FIM Partners' offers transparent, auditable and timely information/data to its investors.

6.09	Describe any advisory bodies that impact the management or investment activity of the Firm (e.g. CEO Circle, operating committee, management affiliate, etc.).

The firm's organizational committees are as follows:

Figure 6.1 Committees

Committee	Role	Members	Frequency
Internal Control Committee	To create dialogue among internal control functions and to advise and assist the board and senior management with the review of processes, controls and changes which can impact the firm, and with responsible management of the firm i.e. board meetings, compliance reporting, external auditors, finance, risk, capital adequacy and planning, etc.	Julie Abraham Jadon (Legal/Compliance & Chair) Vladimir Djokanovic (Risk/Ops Controls) Arif Mansuri (COO) Mark Heaney	Quarterly
Valuation Committee	To be responsible for pricing mechanisms and review of price challenges of investments held by the funds, to monitor unlisted securities, valuation models for complex instruments, pricing policies with the fund's administrators, and to report to the fund's boards.	Arif Mansuri (COO & Chair) Vladimir Djokanovic (Risk/Ops Controls) Abhishek Gujadhur (Fin. Controller) Julie Abraham Jadon (Legal/Compliance) Mark Heaney	Quarterly and as required
Risk Committee	To be responsible for risk policy framework (including enterprise risk), to review major developments related to risk and risk-adjusted returns, to address risk policy issues and to approve amendments to risk policy (e.g. methodologies, limits, etc.)	Arif Mansuri (COO & Chair) Vladimir Djokanovic (Risk/Ops Controls) Investment team member of the relevant strategy	Quarterly and as required
Conflicts of Interest Committee	To address conflicts between the pools themselves or with the interests of the investment manager, to resolve conflicts approved by Management.	Julie Abraham Jadon (Legal/Compliance & Chair) Arif Mansuri (COO) Vladimir Djokanovic (Risk/Ops Controls) Mark Heaney	Semi-Annually and as required

Execution Committee	To oversee trading activities and to evaluate and make recommendations to improve the firm's best execution policies and procedures to ensure compliance with its best execution obligations.	Arif Mansuri (COO) Julie Abraham Jadon (Legal/Compliance) Vladimir Djokanovic (Risk/Ops Controls) Nabil El-Jamali (Trader) Kia Williams (Fixed Income) Marten Bressel (FIM UK) Ahmed El Naggar (FIM KSA)	Semi-Annually and as required
Investment Committee	To establish and oversee the implementation of the investment policy of the firm's assets under management.	All members of the investment team of respective products, namely: CIO, fund managers, analysts, traders, head of research, as well as risk management representative (periodic).	Weekly and as required
Management & Operations	To oversee non-investment management areas including operations, finance, compliance, technology and HR. To oversee strategic transactions, analyze the financial position of the firm and its funds, consider vendor service levels and new products.	Hedi Ben Mlouka (CEO, CIO) Arif Mansuri (COO) Julie Abraham Jadon (Legal/Compliance/HR)	Weekly and as required
ESG	To oversee the implementation of the firm's responsible investment policy	Maryam Mughal (Sustainability Lead & Chair) Ali Hussain (Head of Research) Julie Abraham Jadon (Compliance) Investment team members	Bi-annually and as required

6.10	Please describe your operational risk management policy and business continuity plan/procedure.

The firm's Operational Risk Manual sets forth the operational risk management policy of the firm. The methodology consists of tracking operational risk events and any financial impact associated with such events in a manner that is consistent with the operational risk events described in the Basel III framework. This also includes the recording of near misses or events which result in a positive financial outcome.

The following tools are used for identifying and assessing operational risk:

- **Internal and/or external loss data collection and analysis** including risk assessments, business process mapping, risk and performance indicators and scenario analysis. When new products, activities, processes or systems are proposed, the following is taking into consideration:
    - Inherent risks in any new product, service, or activity
    - Resulting changes to FIM Partners' operational risk profile, appetite and tolerance, including changes to the risk of existing products or activities;
    - Necessary controls, risk management processes, and risk mitigation strategies;
    - Residual risk;
    - Changes to relevant risk limits;
    - Procedures and metrics to measure, monitor, and manage the risk of the new product or activity; and,
    - Appropriate investment in human resources and technology infrastructure.

- **The firm's Risk & Controls Manager reports on operational risk on a quarterly basis**. Material operational risk events are immediately reported. The quarterly risk report includes the following items:
    - Results of monitoring activities;
    - Assessments of the operational risk framework performed by control functions such as internal audit, compliance, risk management and/or external audit;
    - Reports generated by (and/or for) supervisory authorities;
    - Material breaches of FIM Partners' risk appetite and tolerance with respect to operational risk;
    - Details of recent significant internal operational risk events and losses, including near misses or events that resulted in a positive return; and,
    - Relevant external events and any potential impact on FIM Partners and its operational risk framework, including operational risk capital.

On an annual basis, the firm carries out a self-assessment of its risk and risk capital requirements by way of an Internal Risk Assessment Process (IRAP) and an Internal Capital Adequacy Assessment Process (ICAAP). These are subject to internal audit and regulatory reviews.

The firm maintains a documented Business Continuity Plan (BCP) which sets out an action plan to deal with business disruptions including critical computer outages, building loss, power/telecom outages, network outages and others. The BCP covers mechanisms for remote access, backup office locations, short term office spaces and manual communication trees. The COO is responsible for implementation of the BCP. The plan sets out the processes and controls in place in the event of:

- A power or telecoms outage
- Network outage
- Critical computer outage
- Building or hardware loss

Third party service providers of the firm, including prime brokers, custodians, administrators, Bloomberg and Advent, have SLA and BCP resiliency plans and they report on testing of the plans on a regular basis.

FIM Partners has implemented a robust and comprehensive BC/DR plan across the business, in order to ensure the business can run with the same level of continuity in the event of a cyberattack, outage, system failure or system loss.

6.11	Describe the Firm's arrangements for internal audits and confirm whether there are any outstanding findings in internal audit reports that may or are likely to impact client accounts or assets.

The firm's internal controls are audited and tested on an annual basis by an independent and external auditing firm, Crowe Mak. The internal audit program will cover all key areas of the business, namely: accounting and finance, compliance including AML procedures, operations (IT and HR), corporate governance and control environment.

Once completed, audit observations and recommendations are recorded in a formal report which is then shared with the firm's Internal Control Committee who recommends an implementation plan and schedule to senior management and to the Board of Directors. The plan is discussed at each meeting of the Internal Control Committee until all action items are closed.

There are no outstanding findings in the internal audit reports that may or are likely to impact client accounts.

6.12	Describe your physical and application security protocols to protect building, office, hardware, and data accessibility.

The following precautions are taken to prevent corporate data and networks being compromised either inadvertently, through misuse or from malicious attacks.

Un-authorized access

- FIM Partners' office can only be accessed by a fingerprint scan, facial recognition or key card
- Access to the server room is restricted; accessible by fingerprint scan or facial recognition
- Workstation access is password protected. All password must be minimum of 8 characters, meet Microsoft complexity requirements and must be changed every 90 days
- Files on the file servers are secured using role-based security groups. Security group access is granted based on a management driven approval process
- Users do not have admin rights to their PCs
- Multi Factor Authentication for all external access

Physical data loss

- All USB ports are locked down to prevent data loss
- To access their workstations remotely, staff use Microsoft Remote Desktop via SSL encrypted Cisco VPN tunnel
- Printed materials are shredded on site prior to disposal
- Internal server rooms are locked and access limited to key members of infrastructure team
- Backups are encrypted prior to storing securely off site

Electronic data loss

- Staff are required by their employment contract to adhere to the firm policy, concerning the proper use of e-mail, internet, instant messaging and telephones
- All e-mail traffic is stored and archived for 7 years
- Sophos Reflexion is used to provide content and virus filtering to all email prior to reaching the email server.
- Office Wi-Fi is completely separated from the internal corporate network

To protect against external threats

- Fortinet Firewalls in all locations, protect the network from unauthorized external access

- All server and workstations have Sophos Endpoint software, which is automatically updated through a central console. All services check daily for latest virus detection updates
- To find any security weakness in the external firewalls, penetration tests are carried out annually by an independent specialist
- All servers and workstations are patched at least once per month

The most recent annual external infrastructure penetration test was performed by Bridewell Consulting on 17^{th} June 2022, and the conclusion was the external infrastructure met the expected standards.

End of Section

Section 7. Reporting and Compliance

7.01 What reporting and correspondence can you expect?

1. Monthly fund factsheet and newsletter
2. Monthly reports – segregated account investors typically receive a monthly report with the below details:

    - Attribution analysis broken down by country and sector
    - Contribution analysis
    - Exposure analysis
    - Monthly performance gross and net
    - Top and worst performers
    - List of transactions in the period
    - Manager commentary and outlook

Further bespoke reports can be created on request.

The investment team also holds conference calls and/or meetings with investors on a quarterly basis at the minimum and often more frequently. Please find attached a sample investor report.

7.02 What portfolio data can you provide?

We can provide full transparency of the underlying holdings with an appropriate time delay.

7.03 Are there any affiliated broker dealer through which the firm trades with?

FIM Partners trades with Financial Brokerage Group (FBG), a subsidiary of EFG Hermes Holdings (EFG Hermes UAE hold 50% equity in FIM Partners).

The firm maintains additional conflicts procedures in relation to trading with EFG's brokerage firm whereby trading volume, commission and execution price are limited and monitored. Trading volume/commission is limited to 20%. Trading commission with EFG per market must not be higher than other full-service brokers for that market. As part of the firm's review of best execution, the firm ensures that execution prices with EFG on average are as good or better than with other brokers.

7.04 Have there been any material disputes in relation to the fund's documentation or the operation of the fund and have its accounts been qualified in any manner?

There have been no material disputes in relation to the fund's documentation or the operation of the fund and its accounts have not been qualified.

7.05 Will there by any borrowing against the portfolio?

No

7.06 What are the tax liabilities, if any on the portfolio?

Depending on the investing entity, there should be no tax liability for the investor. In certain circumstances, there can be withholding tax for foreign entities in certain countries such as the Kingdom of Saudi Arabia.

7.07 What types of expenses are absorbed by the fund?

- Administration and Registered Office Fees
- Directors' fees and expenses
- Audit and professional fees
- Custodian fees
- Investment management fees
- Formation Expenses
- Bank Charges

7.08 Detail how the Firm's policies (Compliance Manual, Code of Ethics, etc.) are supervised, monitored and enforced.

The firm's policies are reviewed and updated, as needed, on an annual basis with assistance from the firm's compliance consultants Vistra Middle East and Kroll (Duff & Phelps). For monitoring purposes, the Compliance Officer adopts a yearly compliance monitoring programme (which will take into consideration and policy updates) under which the compliance obligations of the firm are reviewed and tested. Findings from the review are communicated by the Compliance Officer to the Internal Control Committee and to the Board of Directors on a quarterly basis by way of written report. The Internal Control Committee may make recommendations to the Board of Directors as to compliance monitoring findings.

The firm's systems and controls are audited on an annual basis by an independent audit firm Crowe Mak.

7.09 Outline the reporting lines of the compliance department and explain how compliance is independent from staff responsible for investment revenue generation.

The compliance function is completely independent from revenue generating activities. The firm's compliance team is comprised of a team of 4 professionals (Mohammed Al Jassim (outsourced) , Amal Al Hadhrami and Amy Banks) who report to the Chief Legal and Compliance Officer Julie Abraham Jadon, who in turn reports to the Board of Directors). The compliance team is supported by compliance consulting firms Vistra Middle East and Kroll Advisory (Duff & Phelps).

7.10	Describe the firm's compliance training program for staff, including how you monitor the technical competence of persons with a regulatory status.

The firm's compliance training program comprises: 1) induction training for new joiners, 2) annual training on anti-money laundering and market misconduct as well as ad hoc training on other topics such as data security, and 3) periodic refresher training at monthly staff meetings or by emails. Compliance training is provided by the Compliance Officer or by the firm's compliance consultants.

Annual training sessions include 'in-class' self-assessed competency testing. All compliance training is logged and documented, and attendees must sign an attendance sheet.

7.11	Outline how you monitor and record complaints and breaches. Explain how these are escalated through the business and the procedures in place to resolve issues identified.

The firm's compliance monitoring programme is produced with assistance from the firm's external compliance consultants Vistra Middle East and Kroll Advisory (Duff & Phelps) and reviewed on an annual basis. The results of the programme are recorded in a quarterly report by the Compliance Officer which is communicated to key control functions, including senior management, as well as the Board of Directors.

Complaints, breaches and other issues are systematically monitored in two ways:

- the compliance monitoring programme of the Compliance Officer, the results of which are recorded on a quarterly basis; and
- the personal conduct declarations of all staff members (whereby staff are required to declare any complaints, breaches and other matters) which are recorded on a quarterly basis.

Any breaches or complaints are detailed in an incident report and logged by the Compliance Officer. The findings under the programme and the declarations are reported by the Compliance Officer in a quarterly compliance report which is discussed at meetings of the Internal Control Committee who make recommendations to resolve issues. The report is also shared with the Board of Directors.

7.12	Detail any conflicts of interest (potential, current and historic) within the Firm, and explain how they have been/are identified, managed, disclosed and resolved.

The firm's conflicts of interest are managed via a clear written policy. Any conflicts of interest that arise are recorded by the Compliance Officer in a register for monitoring and mitigation purposes. The firm's Conflicts of Interest Committee convenes twice annually to review the firm's framework, register, and help to resolve any conflicts of interest. Examples of conflicts of interest which have been identified and are managed are:

- Control functions are segregated from the front office and have direct/independent reporting / access to the board of directors
- PA dealing is not permitted
- Cross trading is not permitted except with compliance approval
- Outside business interests are declared and require approval of the compliance officer and senior management
- Gifts and benefits must be declared and above the stated limit require pre-approval of the compliance officer
- Fund valuations must be produced by independent fund administrators

7.13	Describe the Firm's policies on the handling and safeguarding of any material, non-public information? How are these policies communicated to employees?

The Firm has established policies, procedures to manage and prevent the inadvertent spread and misuse of confidential or inside information or the appearance thereof.

The most important element of these arrangements is confidentiality:

- any kind of information obtained through employment by the Firm that is not available to the public, is strictly confidential and sensitive, and must not be disclosed to any other third party or used for any purpose other than in the course of someone's duties, to the extent that it does not conflict with applicable laws and regulations;
- confidential information shall only be exchanged between Directors, Senior Managers and employees on a "need-to-know"-basis;
- Directors, Senior Managers and employees have to take adequate and reasonable precautions in order to protect such confidential information against unauthorised persons / access;
- confidential information of customers and their transactions or operations, as well as non-public information concerning the Firm, counterparties and its representatives, must not be given or shared with third parties;
- when using the telephone in public areas, to discuss confidential information, everyone must ensure that these conversations are cannot be overheard.

In the event there is a possibility that information received could be material and non-public staff immediately reported the matter to the Compliance Officer; the securities should not be purchased (whether for a client or personally); and the information should not be communicated inside or outside the firm other than to the Compliance Officer. Care is also taken to ensure that access to such information is sealed/restricted. The Compliance Officer will place the securities to which the information relates on the firm's Restricted List until assessed as not being material non-public. The Restricted List is applied and circulated firm-wide at least twice per month.

The use of expert networks is limited to networks having been authorised by the Compliance Officer. All calls with experts are tracked and selectively chaperoned by the Compliance Officer. In the event staff receives information which may be material and non-public, he/she must promptly end the call and notify the Compliance Officer for further consideration and action (e.g. placing the related security on the Restricted List).

7.14	Describe any criminal or administrative proceedings or investigations against the Firm, its affiliated entities and/or its current and former team members.

None – not applicable.

7.15	Describe any investigations by an industry regulatory body of the Firm, its affiliated entities and/or its current or former team members

None – not applicable.

7.16	Describe any litigation/investigation against the Firm, its affiliated entities and/or its current or former team members.

None – not applicable.