

Fonds Bloemendaal - Fund Governance

Our business's reputation and integrity is one of our most valuable assets. We would like to share our view on Fund Governance and to describe how it is managed in our organization. Integrity means that our investment service is organized and executed in such a way that it is in the best interest of our participants. To strive to avoid conflicts of interest and to comply with the demands and rules of supervisors and regulators Bloemendaal Investment Management B.V., the management company of Fonds Bloemendaal, the fund, has put principles, procedures and processes (good practices) in place. We start this document describing specific measures regarding the structure of fund governance and the measures to safeguard it.

I. Specific measures regarding the structure of fund governance

1. Periodic review, reporting and oversight

The management company has a system of checks and balances in place in order to ensure compliance with both the applicable law and regulation and the fund governance principles that protect the interest of investors and mitigate conflicts of interest. Such a system consists of the following three elements: a. periodic review of application of the principles, b. reporting of the review to relevant parties, and c. oversight.

Periodic review

The compliance officer of the management company, who has access to all relevant information, will carry out periodic (yearly) reviews, on the application of fund governance principles in the business operations. These reviews focus on identified governance issues as described below.

Reporting

The outcome of these periodic (yearly) reviews will be reported, besides the board of the management company, to Stichting Bewaarder Fonds Bloemendaal, the depositary of the fund and to an independent accountant.

Oversight

The accountant, able to act sufficiently critically and independently of the management company and affiliated parties, is appointed to fulfill the role as oversight entity with regard to fund governance. This oversight entity has the task, to check if the management company fulfills its duty to act in the interest of the investors in its fund(s).

In order to fulfill this task, the accountant has access to all relevant information, e.g. reviews and additional requested information (if any).

II. General measures safeguarding fund governance

2. Compliance function

Compliance with the law, regulations and other rules, among which those that protect the interests of investors and mitigate conflicts of interest, will be monitored. The management

company will ensure that the compliance function acts independently from operative functions, is equipped with adequate resources, has access to all relevant information and reports regularly to the board of the management company.

3. Managing conflicts of interest

Fund governance means that paramount attention must be given to managing potential conflicts of interest. As a matter of principle, the governance aims to avoid (potential) conflicts of interests between the interests of the investors in the fund with the interests of other parties such as the management company itself or the service providers of the fund. A set of rules and procedures shall be defined to ensure that, in case an unexpected conflict of interest situation would arise, the interests of investors are protected and that investors are treated equally in comparable situations. Should conflicts of interest occur, the management company should deal with these situations in accordance with its duty to act in the interest of the investors. The management company has identified the main areas of potential conflicts of interest between the management company on the one hand and the investors in Fonds Bloemendaal on the other hand.

4. Segregation of duties

A segmentation between investment decisions (portfolio manager of management company), settlement of transactions (prime broker), administration of transactions (administrator) and control (risk manager management company and depository) is in place to prevent (potential) conflicts of interest as described above.

5. Fair & reasonable application of principles

When dealing with potential conflicts of interest, the management company will primarily endeavor to reasonably and fairly apply the specific principles defined in this code of conduct. In situations that may not be covered by these principles, the management company will in general seek to apply international best practices to the extent available. The management company pledges to resolve any such situation, having due regard for the interests of the investor and its legal duty as to act in the interest of the investor, after reasonable and fair consideration of relevant facts and circumstances.

6. The principle of 'conscientious consideration'

However well defined and refined, a system of specific principles, even while supplemented with a set of international best practices, cannot always guarantee sufficient external guidance to deal with each specific conflict situations. The management company therefore pledges that it shall, in all cases, endeavor to resolve any governance issue having due regard for the interests of the investor and it's legal duty to act in the interest of the investor and after reasonable and fair consideration of relevant facts and circumstances. This process, called *conscientious consideration* shall be conducted within the board of the management company.

7. Publication of principles

The management company has published the principles of fund governance on its website.

III. Rules and principles regarding day-to-day operations

8. Third party relations

The management company will ensure that the selection of third parties will take place according to defined procedures and criteria.

9. Asset Valuation

The management company has appointed an independent administrator to ensure that valuation of assets and calculation of Net Asset Values (NAV) will be performed independently from the portfolio management function.

10. Fund Unit Trading

The fund is a contractual fund with a semi open-ended structure. The fund is governed by the Terms and Conditions. By entering into a subscription form, a participant represents and warrants to have reviewed the Terms and Conditions and agrees to be bound thereby. A participant is admitted to the Fund either by the issuance of participations to the participant or, after a legal transfer of participations to the participant, by registration in the Register of the new participant.

The participations are redeemable at the option of the participant on certain conditions as defined in this Prospectus and in the Terms and Conditions. Participations may be transferred under certain conditions or assigned, and may be made subject to any encumbrance, as described in the Terms and Conditions. Please refer to our Prospectus chapters 11 “Subscriptions” and 12 “Redemption”.

11. Shareholder Rights

The fund, the only fund managed by the management company, publishes in its Prospectus that the fund will not pursue an active voting policy. Please refer to our Prospectus chapter 19 “Policy Regarding Voting Rights And Voting Conduct”.

12. Transparency

The management company strives for an open relationship with the investors by providing relevant, clear and understandable information in accordance with the applicable laws, regulations and the fund's conditions. This includes just, timely and fair information on investment policy, investments, risks, costs and management fees, affiliated parties and outsourcing. The characteristics of the fund shall be clear, the risks shall be explained and there shall be no ambiguous conditions. All fees charged by the fund and their connection to services rendered shall be clear. The maximum subscription and minimum redemption prices in relation to the net asset value (NAV) shall be clear. We aim to base all our communication, inclusive our website, on the abovementioned features. Detailed fund information can be found in relevant documentation, such as Prospectus and its Annexes and the “Financiële Bijsluiter”.

13. Change in the conditions of a fund

During the lifetime of an investor's investment it is possible that the fund's conditions may change. In that case the management company will suitably inform the investors in good time in accordance with the applicable laws, regulations and the fund's conditions. The management company strives to ensure that such information is easily accessible, clear and understandable for all investors. Please refer to our Prospectus chapter 6 “Amendments to the Prospectus and the Terms and Conditions” of the Prospectus of the fund.

14. Best execution

In implementing and executing investment decisions, the management company shall as a general rule take reasonable steps to obtain the best possible result, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant consideration. Transactions with related parties, will be executed at arm's length terms customary in the market.

15. Fair allocation (executing orders)

The management company currently manages only one fund.

16. Transaction fees and soft commissions

Transaction fees only cover those services that directly benefit the fund. Soft commission arrangements are permitted as long as the services paid for with soft commissions are directly instrumental for improving the investment decision-making process and on condition that the transaction fees are customary and reasonable relative to the brokerage services provided. Services paid for with soft commissions may include research and securities advice. These services improve the investment process and are therefore beneficial to the investors in the funds. All soft dollar arrangements will be drawn up in writing. The management company always strives for a best possible price / quality mix. In the prime broker selection process both transaction fee and soft dollar arrangements are considered.

17. Securities lending

The management company is transparent in the prospectus and annual report of its fund with regard to the possibility of lending the portfolio securities of the fund. The risk/reward relationship of lending activities for the fund shall in essence be reasonable and fair and in line with market practice. The fund will act in accordance with best practices. In case a situation is identified in which voting stock on loan in an upcoming shareholder meeting may significantly influence the outcome of the voting process and may have a significant impact on shareholder value, the management company will consider a recall of the stock on loan. Please refer to our Prospectus chapter 2.3 "Investment restrictions".

18. Personal interest and remuneration

The management company endeavors to structure its remuneration systems in line with market practices and in such a way that conflicts with investors' interests are prevented. Participation by staff and members of a possible supervisory board in a fund is considered as a 'stake of confidence'. We aim to monitor all securities transactions involving staff. This is to ensure that the fund can steer clear of appearing to act with inside information.

19. Costs and damages as a result of operational errors

In a human environment operational errors can never be entirely excluded. The fund manager adapts a policy in which damages, exceeding a certain minimum level and caused by errors in the calculation of the NAV of a fund, shall be compensated. Please refer to our Prospectus chapter 13.2 "Valuation Methods".

20. Shareholder / participants meetings of the funds

The management company (as far as this lies within its power) will endeavor that beneficial owners of participations in its investment funds under management can participate in participants meetings of the funds. The management company will suitably inform the investors of the time and location as well as the agenda of such meetings in accordance with the applicable laws, regulations and the fund's terms and conditions. Please refer to our Prospectus chapter 16 "Meeting of Participants".