



CONFLICTS OF INTEREST AND OUTSIDE AFFILIATIONS POLICY

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1. Introduction

The Company subject to this policy is defined above. This policy applies to employees (including those deemed self-employed or employed under a contract for services) and directors (termed “employees” throughout). When using the terms such as we/us/our/you this applies to all such persons.

This policy aims to promote transparency and fairness in the interests of consumers, employees, suppliers and the Company.

The Company aims to prevent or manage conflicts in a manner consistent with the highest standards of integrity and fair dealing. The treatment of customers is central to our culture. The identification and mitigation of conflicts of interest which could be detrimental to our customers’ interests and the provision of clear information about such conflicts is key to their fair treatment.

2. Policy governance

The Company has an ongoing commitment to adhere to the highest ethical standards and principles of honesty, integrity and confidentiality. The Company recognises that embedding the right culture is key to maintaining high standards, including the management of conflicts.

If you have any questions regarding this policy, please speak to your Manager or a member of the compliance team.

This policy will ordinarily be reviewed annually. Where a material change in conflicts management requires a change in this policy, interim updates may take place.

3. Principal Regulatory requirements

Relevant Rule: PRIN 2.1.1R

8. Conflicts of interest: A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.

Identifying Conflicts

Relevant Rule: SYSC 10.1.3R

A firm must take all reasonable steps to identify conflicts of interest between:

The firm, including its managers, employees and appointed representatives..., or any person directly or indirectly linked to them by control, and a client of the firm; or
One client of the firm and another client;

That arise or may arise in the course of the firm providing any service referred to in SYSC 10.1.1R including those caused by the receipt of inducements from their parties or by the firm’s own remuneration and other incentive structures.

Managing Conflicts

Relevant Rule: SYSC 10.1.7R

A firm must maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest as defined in SYSC 10.1.3R from constituting or giving rise to a material risk of damage to the interests of its clients.

4. The Principles

Although this policy sets out high-level principles and provides guidance on how to handle conflicts of interest, it cannot cover every conceivable situation that may arise.

This policy identifies nine general principles which underpin the Company's procedures which are designed to ensure conflicts of interest are appropriately dealt with.

1. The Company is committed to taking all appropriate steps to identify and to prevent conflicts of interest adversely affecting the interests of its clients. This prevention and management of conflicts of interests applies where a conflict may arise between the Company and our clients or between a client and another client.
2. Ultimately, the Boards of Directors are responsible for conflicts of interest management that impact on the relevant companies.
3. Every employee and entity covered by this policy has a duty to prevent or manage conflicts of interest that may arise. This includes ensuring any outside business interests and directorships are disclosed to the Company.
4. In considering whether a conflict of interest arises, consider what a member of the public, acting reasonably, might think ("front page of the FT" test).
5. Employees subject to this policy will receive training on our conflicts of interest policies and procedures as relevant to their role.
6. The Company will maintain and operate effective organisational and administrative arrangements designed to prevent and manage conflicts of interest that pose a material risk of damage to clients' interests.
7. The Company will disclose to clients any conflicts that cannot be prevented or managed effectively by our organisational and administrative arrangements to ensure that clients' interests will not be damaged. We will only use disclosure as a method of "last resort" and in extremis we may decline to act.
8. Arrangements to prevent or manage conflicts of interest should cover likely potential and actual conflicts. Also, a perceived conflict of interest could potentially damage the Company's credibility and reputation so should be managed to avoid such a perception. It is only necessary that the Company or an employee have an interest in the outcome, not that the conflict of interest has crystallised.
9. The Company will maintain records of our services and activities in which conflicts have arisen or may arise.

5. What is a conflict of interest?

A conflict of interest may be defined as a situation where there is a potential conflict between our interests and the duties we have to our clients, or between the interests of one client and another client, including those caused by the receipt of inducements from third parties or by the firm's own remuneration and other incentive structures, which could result in material risk of damage to the interests of a client.

In deciding what a conflict is, a common-sense approach should be taken to consider whether a reasonable person looking at the relevant facts and circumstances would think that there was a real sensible possibility of conflict.

The types of situation that should be considered are where the Company or you as an employee:

- is likely to make a financial gain or avoid a financial loss at the expense of the client;
- has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of a client, which is distinct from the client's own interest in that outcome;
- has a financial or other incentive to favour the interest of a client or group of clients over the interests of another client or group of clients;
- carries on the same business as the client;
- receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services other than the standard commission or fee for that service;
- could be in a position where our/your ability to act in a client's best interests is potentially affected by any other matter e.g. personal relationships creating a conflict in loyalty.
- Is substantially involved in the management or development of insurance-based investment products and policies, in particular where such a person has an influence on the pricing of those products or policies, or their distribution costs

The conflict of interest may result from any activity the Company undertakes. The Company also seeks to identify any situation where the interest of one client may conflict with those of another, in order to ensure fair treatment for each client.

For there to be a conflict of interest, it is necessary that the Company and/or an employee may gain a benefit whilst there is also a possible disadvantage to a client or that one client to whom a duty is owed may make a gain or avoid a loss with there being a related possible loss to another client.

6. Recording conflicts of interest

A Conflicts of Interest Register and Interests of Directors Register should be maintained by each regulated entity on an on-ongoing basis. These should be reviewed at the board meeting on an annual basis. These Registers should be inspected and all new conflicts

discussed and agreed with revisions/additions added to the minutes as necessary. An annual review will be completed by the relevant business owners highlighted within the register and this will be followed by a review completed by Compliance. Directors of Sanlam entities are required to disclose all conflicts as they arise. Where a Director has a conflict of interest that is not on the Register this should be disclosed immediately or at the earliest Board meeting. Changes to the Conflicts of Interest Register should be notified to Compliance.

Any updates to the Interests of Directors Register should be relayed to Sanlam UK Legal and/or the relevant company secretary for inclusion.

7. Identifying conflicts

You have a duty to declare any personal interest, including outside business interests or directorships that could give rise to a conflict of interest with the Company or its customers. Such interests should be notified to Compliance so that any identified conflict can be recorded.

You also have a duty to notify Compliance if you become aware of any actual or potential conflict of interest between the Company and its customers that you do not believe is being effectively managed. Employees are required to consult with Compliance if they are unsure whether a conflict of interests exists or if guidance is required. If a person is not sure whether there is a conflict or to declare, they should err on the side of caution.

Disclosures should be made at the following times:

- At the time of appointment, contracting or recruitment of a person by a Sanlam Group Subsidiary or Business Entity.
- Prior to becoming part of a new venture that potentially may lead to a conflict of interest.
- When taking on new functions or roles within Sanlam, including transfers from one Business Entity to another.
- Whenever a conflict of interest arises, or the person becomes aware of a potential or perceived conflict of interest; and

As part of the annual Compliance Attestation you will be asked to confirm that you have complied with these disclosure requirements. To make a disclosure please follow the Conflicts of Interest and Outside Affiliations Disclosure Procedure at Appendix 2.

8. Management Actions

In the event of a disclosure of a conflict of interest, the relevant manager of the person making the disclosure must review the severity of the potential impact of the conflict and decide on an appropriate action. The manager must agree the proposed course of action with Compliance (and with HR when the decision might have a material impact on the employee). Each case will be looked at individually to establish any risks and controls that can be put in place to minimise such risks. The materiality of the risk will be determined by the role and

responsibilities of the person making the disclosure, as well as the nature and type of interest declared.

In dealing with a disclosure of an actual, potential or perceived conflict of interest, three options are available to the decision maker:

- Approve and allow the disclosed interest;
- Conditional approval of disclosed interest; or
- Disallow the disclosed interest.

If the disclosed interest is not considered to constitute a conflict and does not expose Sanlam to any reputational, financial, regulatory or conduct risk, the interest may be approved and allowed.

The decision must be documented. In the case of an Outside Affiliation for an employee, approval must be sought from Compliance. All other conflicts should be recorded by Compliance in the Conflicts of Interest Register. The employee is thereafter responsible for disclosing any change in the nature of the interest. The manager of the employee is responsible for monitoring the risk of the potential conflict.

In some instances, the conditional approval of a disclosed interest may be warranted. This conditional approval may be granted where appropriate management actions can be implemented to mitigate the risk. The conditions of the approval must be clearly documented and communicated and the person making the disclosure should not participate in any subsequent discussions or decisions on matters related to the disclosed conflict of interest unless approval is granted. It may be a condition of approval that the person ceases participation in such matters indefinitely.

9. Arrangements for preventing and managing conflicts

A number of dedicated mandatory controls, policies and procedures exist that are relevant for conflicts of interest management purposes. These are summarised below and employees should refer to the relevant full policies and procedures as necessary.

With regards to insurance distribution activities, the arrangements detailed below must be proportionate to the activities performed and the policies sold.

i. Training

Employees subject to this policy will receive training on our conflicts of interest policies and procedures as relevant to their role and be reminded periodically of the requirement to flag any potential conflicts they identify with senior management for inclusion on the Conflicts of Interest Register where agreed.

ii. Gifts and inducement policies

These are designed to ensure that any gift or inducement received is unlikely to create a conflict with the duties we have to our clients (or you have as an employee to your employer). Similarly, where a gift or inducement is provided to a third party these policies are designed to eliminate the risks of conflicts being created in the receiving party.

The Company prevents conflicts arising regarding the selection of suppliers by refusing to accept or provide fees, commissions and non-monetary benefits which do not directly enhance the service offered to clients.

iii. Combatting bribery & corruption policies

These require employees to adhere to high standards; to protect the Company's reputation against any allegation of bribery and corruption and to conduct business honestly and without the use of corrupt practices or acts of bribery to obtain an unfair advantage.

iv. Code of Ethical Conduct

Our ultimate parent company Sanlam Limited has adopted a Code of Ethical Conduct to which all Sanlam businesses and employees must abide in order to maintain the highest level of integrity and ethical conduct.

v. Remuneration policies

These policies are established and implemented with measures to avoid conflicts of interest and to encourage responsible business conduct and fair treatment of clients. These include the removal of any direct link between the remuneration of persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities.

vi. Reporting lines and separation of duties

Where the interests of one team and its clients may conflict with the interests of another team and its clients, the management structure has been separated where feasible. Reporting lines have been designed to reduce or eliminate conflicts arising and to assist in those conflicts which do arise being appropriately addressed.

vii. Outsourcing

When considering material outsourcing arrangements, the Company ensures that appropriate steps are taken to prevent or manage conflicts with the interests of our clients. Potential conflicts will be considered at outset and as they arise. The Company expect outsource partners to disclose to us details of:

- their potential and actual conflicts where these have a bearing on the services provided to us and our clients.
- any material situation relating to the services being provided to us which an outsource partner is aware of that could give rise to a potential conflict of interest between the Company and its clients, whether or not the outsource provider themselves consider the situation to be a potential conflict. This is particularly important in the case of intra-group outsourcing, where the likelihood of a material situation giving rise to a conflict of interest is much greater.

Such disclosures should be made as soon as reasonably possible following the identification of a potential or actual conflict or material situation.

viii. Confidentiality and Information Barriers

The Company adheres to data protection legislation including the requirement that customer information is held confidentially and only disclosed to those entitled to receive it. Information security policies are in place which are designed to ensure data is kept securely and used appropriately.

“Chinese Walls” are formal arrangements that require information held by a person in one part of the business to be withheld from, or not to be used by, people in another part of the business

ix. Whistleblowing

The Company operates public interest disclosure (whistleblowing) policies to help create an environment in which employees can raise legitimate concerns about malpractice.

x. Best execution and order allocation policies

The Company’s policies regarding undertaking transactions on behalf of clients and allocation of orders have been designed to ensure we adhere to the “best execution” requirements and provide for the prompt, fair and expeditious execution of client orders, relative to other orders or the Company’s trading interests.

xi. Personal account dealing

Sanlam employees are subject to certain restrictions around their own personal account dealing and that of their partners and dependants which are designed to meet confidentiality obligations, the requirements of the Market Abuse Regulations and our duties to prevent or manage conflicts.

xii. Group referrals and services

The Company offers a wide variety of financial services in the UK and abroad. In order to enhance the services provided to clients the Company may use sister company services and funds where appropriate to do so, provided any conflicts of interest are adequately prevented or managed.

Where a client is referred to another part of the Sanlam Group the referring party may, where permitted to do so by regulations, receive a fee. Such fees will always be clearly disclosed to clients.

Investment options available for the Company’s products and services include funds operated and/or managed by Sanlam group companies or associates. There is the potential for assets to be placed with Sanlam group companies in order to increase their fees. However, the use of in-house funds is clearly disclosed. Additionally, each affected business has an Investment Committee that oversees the performance of investment funds and fund managers, which primarily dictates which funds and investment

managers are appointed. In all such scenarios we always ensure that all our clients are treated fairly, and consistent service is provided to all clients for their benefit.

xiii. Research

MiFID II compliant research policies and procedures were introduced for affected firms. These policies are designed to ensure that no conflict arises in deciding which company will receive trade orders in response to research received.

xiv. Employee terms

All employees are required to disclose outside business interests and directorships. Employees should also be mindful of indirect interests such as the financial interests of close family members e.g. spouse, live-in partner, parent, child, brother, sister and the spouses of any of these.

No employee may raise money or participate in the raising of money for any company, individual or other business venture without the prior written approval of their relevant Board, except in the case of UK registered charitable or educational organisations.

Employees must be free of conflicting interests in the performance of their duties, and in particular should:

- not take up additional employment which interferes with the interests of the Company;
- not become a director, officer or controller of a business enterprise without the express written approval of the Company;
- inform the Company without delay if they or any associated person has a material interest in any customer, supplier or competitor which could lead to a conflict of interest.

xv. Managing contracts

Employees must not be involved in managing or monitoring a contract in which they have a conflict of interest. Monitoring arrangements for such contracts would include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

xvi. Disclosure to clients

A summary of our conflicts of interest policy is disclosed to clients through Terms of Business, websites or contracts.

Where a conflict of interest is identified that we consider cannot be adequately prevented or managed and disclosure to a client is not, in our opinion, sufficient to protect their interests, we will ordinarily decline to act.

However, as a measure of last resort, where it is considered that the management of a conflict of interest is not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented, the Company has to disclose detailed information to the client before undertaking business for the client so that they can make an informed decision which includes:

- a. the general nature or sources of conflicts of interest, or both;
- b. that the risks of damage caused by these cannot be prevented; and
- c. the steps taken to mitigate those risks.

Should an employee identify a potential unmanageable conflict they should speak to Compliance about the prescribed form a disclosure that must be in a durable medium e.g. email, letter.

10. Corporate conflicts of interest

The Company also recognises potential conflicts of interest may arise between the various Sanlam Group subsidiaries which could be detrimental to clients of the Company if these are not acknowledged and either prevented or managed in accordance with this policy.

Decisions around how the Company price the services and products offered are taken to ensure there is no cross-subsidisation and also that customers pay a fair price overall. Further, the Company is subject to financial promotion regulation, which ensures our products and are not promoted in a manner which is unfair or unbalanced.

Directors appointed to different Boards

Directors may sit on different Boards within the Company and wider Sanlam group and on the Boards of external companies. External appointments may give rise to potential conflicts of interest where different business interests conflict with those of the Company which could be detrimental to clients.

However, directors on the Boards of the Company are required to disclose outside interests and appointments on an ongoing basis and are required to disclose conflicts of interest at each Board meeting.

Directors are subject to the Board charters and/or terms of reference for each Board they sit on which set out their responsibilities.

Directors are subject to legal obligations under the Companies Act 2006. Section 175 of the Companies Act requires directors to avoid situations in which he/she has or can have a direct or indirect interest that conflicts with, or may conflict with, the company's interests. This duty does not apply in relation to transactions and arrangements with the Company or if the matter has been authorised by the directors.

Conflicts must be disclosed to the relevant Board and can be authorised by the relevant Board or the director may be removed from participating in the affected decision making. Sanlam directors must declare to the other directors the nature and extent of any interest, direct or indirect, in a proposed transaction or arrangement with the Company.

Appendix 1 - Outside Affiliations

Outside Affiliation applies to interests outside of the Company which includes (but are not limited to):

- all executive and non-executive directorships (including of charities);
- acting as an attorney, family trusts or other trusteeships (including of charities) where the employee is acting as a Certified Individual or CF30 for AR's (portfolio managers, fund managers and advisers) for the arrangement or is paid to act as an attorney;
- second jobs, consultant and advisory roles;
- political positions;
- having significant influence or control in a business.

As part of our policy on conflicts management, the Company will assess any Employee's OA and "Connected Persons" reported OA to identify actual or potential conflicts and ensure that these are effectively managed.

In the case of "Connected Persons", which are defined below, the Employee must notify the Company only where a conflict of interest may be perceived due to the Connected Person's OA.

Connected Persons are:

- their spouse, civil partner or equivalent; dependent child or stepchild ("Family member");
- other relatives sharing the household of an Employee ("Family member"); and
- any person with whom an Employee is "Connected".

"Connected means a natural or legal person connected with an employee. They include spouses, parents, underage children or wards or any close relative of the employee living at the same address. This definition takes into account any person over whom the employee has influence over or an interest.

Employees must:

- disclose and seek approval for any existing OA when they join the Company;
- obtain pre-approval before entering into a new OA; and
- notify the Company of any OA of Connected Persons where a conflict of interest may be perceived;
- disclose if the arrangement has investments caught by the PAD policy. This should be disclosed to Compliance.

In deciding whether to approve an OA, the Company will consider the materiality of the potential conflicts, and whether they can be effectively managed by the Company.

OA that may be refused approval include those where the Employee is undertaking a role with:

- a business that is similar to that of the Company (e.g. another investment Company);
- a business is or has potential to be provided services by the Company (e.g. trustee or director to a fund that is or could be a client of the Company); or
- a business that provides services to the Company (e.g. a spouse works for a brokerage Company).

The Employee's manager will be required to consider the request and approve or refuse this taking into account the above. The manager should consult with the compliance team as necessary and with HR when the decision might have a material impact on the employee. Each case will be looked at individually and establish any risks and controls that can be put in place to minimise such risks. In the event that a request is refused or there is a breach of any agreement in place, the employee may be subject to disciplinary investigation / or if self-employed subject to termination of contract.

Where applications for Outside Affiliation are not approved, the Employee in question will be prohibited from undertaking the proposed role. When an Outside Affiliation is approved the Employee will be made aware of any arrangements that are to be implemented in order to manage the conflicts identified.

In the case of Connected Persons, Employees may be instructed by their Manager to refrain from participating in certain professional activities where an immediate relation has a business interest.

Notification should be made to Compliance using the Conflicts of Interest and Outside Business Interests form within the Conflicts of Interests and Outside Affiliations Disclosure Procedure at Appendix 3.

Appendix 2 - Conflicts of Interest and Outside Affiliations Disclosure Procedure

1. What is the purpose of this procedure?

To provide high-level guidance on what to do in the event of identifying a Conflict of Interest or Outside Business Affiliation in line with the Conflicts of Interest and Outside Affiliations Policy.

2. Procedure

- a. When declaring a Conflict of Interest or an Outside Business Interest, the staff member should complete and sign the form below in section 3.
- b. The completed form should be shared with Compliance who will review the form and provide an acknowledgment. The acknowledgement should aim to be provided within five (5) working days of receipt.
- c. Compliance will arrange for any approvals to be sought from the Board or a Senior Manager(s) within the company in line with the Conflicts of Interest and Outside Affiliations Policy.
- d. Compliance will inform the recipient of the outcome of their review and whether the conflicts of interest disclosure or outside business interest has been approved.
- e. An administrator will input the details on the form into the Conflicts of Interest/Outside Affiliations Register held on My Compliance Centre (MCC).

3. Conflicts of Interest/Outside Business Interests Disclosure Form

This record should be password protected when saved.

| Conflicts of Interest/Outside Business Interests form | Details |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Name | |
| If the conflict concerns a closely connected person to the staff member name of that person and nature of relationship. | |
| Nature of potential or actual conflict of interest, how this conflicts with the interest of Sanlam or any client of Sanlam and the date it commenced/is planned to commence.. | |
| Does the conflict involve the person performing a role outside the Company i.e. as a company director? | |
| If the person performs a business related role outside the Company (and not within the Sanlam Group of Companies), please indicate the nature of the role | |
| (If not already covered above) Please list any executive and non-executive directorships held by the staff member outside Sanlam Group | |
| If the staff member holds an executive or non-executive directorship of a non Sanlam company please indicate the business activity undertaken | |
| Please confirm if any outside business interests (as indicated above) have previously been approved by the Company | |
| Please indicate if approval is being sought for any new outside business interests | |
| Completed by: | |
| Signature: | |
| Date: | |
| Reviewed by Approved Line Manager: | |
| Approved by Compliance: | |
| Date: | |
| If not approved please indicate reason: | |