

# Conflicts Interest Policy

Under the EU Markets in Financial Instruments Directive (MiFID), Sanlam Securities UK Limited (SSUK) is required to publish details of how we manage conflicts of interest to ensure that our interests are never put ahead of those of our clients, and that one group of clients is not treated more favorably than others.

SSUK has comprehensive procedures in place in order to identify, monitor, manage and, where applicable, disclose conflicts of interest that may exist. The effectiveness of all these controls is monitored on an ongoing basis.

One of the objectives of SSUK's business plan is the maintenance of a strong compliance culture. This is not something that can be measured, but its importance cannot be underestimated in the efficient operation of systems and controls to manage issues such as conflicts of interest. This culture is constantly reinforced with all our staff, for example, through a comprehensive induction and ongoing training programme that emphasises the need always to act in clients' best interests, and regular assessment by the Compliance team of any rule breaches and errors, focusing on treating customers fairly.

## **What is a conflict of interest?**

Broadly speaking, a conflict of interest may arise where SSUK's own interests or a member of staff's personal interest does or could conflict with a duty we have to a client.

To help us identify potential conflict of interest we have considered a number of areas including:

- circumstances where we could make a financial gain, or avoid a financial loss, at the expense of the client;
- situations where we could have an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- where a financial or other incentive to favour the interest of another client or group of clients over the interests of the client might arise;
- where we carry on the same business as a client; and
- where we may 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.

Separate rules and regulations apply to firms that issue investment research and the way we manage research conflicts is described in our Research and Conflicts Management Policy, available on our website.

## **Relationship between SSUK and SPW**

### **Managing conflicts of interests**

We have taken reasonable steps to identify, prevent, disclose or otherwise manage conflicts of interest and our principal policies and procedures in this regard are summarised below. We may need to take additional steps in particular cases and these will be determined by the firm's management and our Compliance Department on a case-by-case basis. We aim to inform clients of our interest before we carry out client instructions, but we have no obligation to obtain client consent to our interest and our interest shall not necessarily preclude us from buying, selling or arranging the purchase or sale of any Permitted Investments (as defined in our client Terms of Business, available on our website).

### **Chinese walls**

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 for, people in another part of the business. SSUK operates from behind a Chinese Wall and will continue to maintain a separate office which helps to protect sensitive information.

### **Independence policy**

We operate a formal independence policy for the business which stipulates that whenever one of our investment advisers gives advice or recommends a transaction to a client, that individual should disregard

any relationship, arrangement or interest of his own, or of the firm, which might influence the advice or recommendation.

### **Best execution policy**

Our policies for acting in clients' best interests when executing orders and passing orders to third parties for execution are designed to ensure that we meet our best execution obligations regardless of any other interests. A copy of our Best Execution Policy is available on our website

### **Allocation policy**

Before allocating investments to clients, we comply with our regulatory obligations to assess suitability or appropriateness. It is our policy to offer allocations to clients for whom the investment is suitable, or appropriate, who have sufficient funds in their account on the commitment date and who understand the investment's terms and conditions and are willing to be bound by them (including any special considerations attached to Placings, such as selling restrictions, which are generally for a limited period of time). Our policy is to allocate investments on a pro rata basis wherever practicable

In order to ensure that deals cannot be allocated in favour of one group of clients or staff, we operate Dealing and Allocation procedures which cover dealing fairly and in due turn, and how allocations should be made if insufficient stock is available. Similarly, we have strict Personal Account Dealing rules in place to ensure that staff cannot deal on their own account ahead of those of our clients, or in a manner contrary to our clients' interests.

### **Personal account dealing policy**

SSUK has detailed policies and procedures to monitor employees' personal account dealing and in certain circumstances, to restrict dealing as employees' interests in holding or dealing in securities may conflict with obligations owed to clients.

### **Inducements/gifts/hospitality**

Employees must neither solicit nor accept any inducements which may conflict with SSUK's obligations to clients, nor offer inducements which could conflict with the recipient's obligations to its own clients. We have procedures in place on the giving or receiving gifts or hospitality and procedures to comply with FCA rules on inducements.

### **Remuneration policy**

SSUK will take care to ensure that it does not give incentives to activities that may lead to conflicts. We will not offer remuneration packages that reward behaviour that disadvantages the interests of clients in favour of SSUK or other clients. Employees are rewarded on the basis of merit.