

Conflicts of Interest Policy

Client Summary

Introduction

This policy sets out the Majedie approach to managing potential and existing conflicts of interest within the business. It is a summary of the policy given to employees which explains what a conflict is, how the firm deals with conflicts as and when they arise, and to explain their responsibility as an employee in relation to identifying and dealing with conflicts of interest.

A conflict of interest can be defined as a situation where the outcomes of one party are incompatible with the other and where there is a risk of damage to the interests of one party.

Obligations

It is central to the Majedie culture and therefore an expected behaviour, that we always seek to do the right thing by our clients. As a Financial Conduct Authority (“FCA”) authorised and regulated firm, we also have a specific regulatory obligation to manage conflicts of interest fairly between us and our clients and between a client and another client.

There are very specific rules about Inducements and what is and what is not allowed. A firm must not pay or accept any fee or commission, or provide or receive any non-monetary benefit in relation to business carried on for a client. There are some exclusions to this including in relation to gifts and hospitality. For the specific Majedie Policy in relation to this please read the separate Gifts and Hospitality Policy.

Majedie Policy

Majedie seeks to ensure it can appropriately and effectively manage, mitigate or prevent potential and actual conflicts through avoidance, establishing information barriers or acting with an appropriate level of independence. Disclosure to clients will be a measure of last resort, where the effective organisational and administrative arrangements established to prevent or manage conflicts of interest are not sufficient.

Majedie Approach

To avoid organisational conflicts, the key teams within Majedie (Investment Management, Operations and Compliance) operate independently of one another with clear reporting lines. This approach is further enhanced by a series of oversight and approval committees, an employee training programme and Compliance Monitoring programme. A Compliance Manual is in place supplemented by a series of specific policies (such as this one) including a set of policies that deal with our treatment of specific conflicts such as personal account dealing and order execution.

A conflicts register is in place and is maintained by the Majedie Compliance team. The register identifies each existing and potential conflict that the firm has identified across the business and records the controls in place to manage them. Conflicts in the register are logged under one of three headings:

- 1. Potential Conflicts between Majedie and its clients**

For example Voting Policy and staff remuneration

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2. Potential Conflicts between Majedie employees and clients

For example PA Dealing and Gifts and Entertainment

3. Potential Conflicts between clients

For example Trade Errors and Trade Allocations

As part of its senior management organisation and governance framework, Majedie has established a number of key internal controls, designed to manage potential conflicts and to prevent a material risk of damage to the interests of its clients. These include:

- Corporate governance structure;
- Senior management oversight, management information and reporting;
- Conflicts of Interest Policy;
- Order Execution Policy;
- PA Dealing Policy
- Gifts and Entertainment Policy
- Regulatory compliance system for pre-approval, recording and monitoring of PA Dealing and gifts and entertainment
- Compliance monitoring programme
- Staff training programme
- Staff appraisal process

The above is illustrative. All of the identified conflicts and the associated procedures in place are recorded and monitored through the firm Conflicts Register.

The firm conflicts register forms part of this policy. Employees must read the firms conflicts register in order to become familiar with those conflicts that have already been identified and the mitigating or preventative controls and procedures that have been implemented and to enable an awareness that will help them to identify potential conflicts themselves.

They must also read the Compliance Manual and associated policies, in particular those that deal with specific conflicts of interest such as personal account dealing and gifts and entertainment so that they are informed of the specific expectations and controls in these areas of potential Conflict.

Conflicts of interest is a focal subject of our regulator and managing them appropriately is a central part of the Majedie culture therefore the responsibility of identifying and escalating them lies with every employee of the company.

The Conflicts register and this Policy are reviewed by the audit and risk committee at least annually and records are kept for a minimum of 5 years.