Personal Trust (Pty) Limited – Conflict of Interest Management Policy

Introduction

This policy has been formulated in compliance with the amendments to the General Code of Conduct for Authorised Financial Service Providers and Intermediaries (effective from 10 April 2010) that has introduced a rules based approach setting out clear and unambiguous duties and disclosures with which service providers must comply in order to avoid, and if unavoidable mitigate and deal with situations where a conflict of interest may arise. The said Code also sets out which non-cash incentives are permissible, and which are prohibited. In terms of the new provisions, we as service providers must refrain from accepting prohibited interests and disclose conflict of interest situations to our clients.

In addition to regulatory compliance, Personal Trust adopts an outcomes-based approach to the management of conflicts of interest, recognising that unmanaged or poorly managed conflicts may undermine ethical culture, client trust, independence of judgement and the legitimacy of the business.

Identifying conflicts

Conflicts may include, but are not limited to, personal financial interests, related-party relationships, gifts and benefits, external business interests and personal account trading.

The following measures have been adopted to identify possible conflicts within our different business units:-

1. The appointment of a Conflict Compliance Manager (CCM) in each of our following business units:-

    - Trust Officer Group
    - Administration (Company and Client)
    - Fund Managers
    - Ancillary service departments (Fiduciary, Money Market, Taxation)

2. All employees are responsible for identifying specific instances of conflict in their respective business areas and are required to advise the CCM in their unit who are in turn responsible for notifying the Executive Committee (Exco).

3. The Exco must assess the implications of the conflict and how it should be dealt with or managed.

The Exco will identify, formulate and maintain a Matrix index of potential risks we may encounter in our business which will serve as a guideline for all staff. This index will be a Matrix of conflicts which will be classified by conflict type, business area and conflicting business areas with documented controls being put in place.

Identified conflicts and mitigation actions are recorded and periodically reviewed by the Exco to identify trends, recurring issues and potential systemic risks.

The Board retains overall responsibility for ensuring that conflicts of interest are effectively managed across the Group. Management is responsible for implementing this policy, supported by the Group Compliance Officer. Material or systemic conflicts are escalated to the appropriate Board committee for oversight.

Management of Conflicts

Once escalated to the GCO, each potential risk will be assessed by taking the value and merit of the conflict and possible exposure and reputational risk to the company into consideration. The GCO will be guided by the index in his/her assessment and if warranted,may escalate the matter to upper management level.

In managing conflicts, consideration is given to whether the conflict may reasonably be perceived to impair objective decision-making or client fairness, even where legal compliance is achieved.

Other Internal Procedures
Personal Trust has the following other internal procedures in place to manage and mitigate conflicts of interests:

- Personal Account Trading Policy
- Gifts and Benefits Policy and register – Clients and Suppliers
- Disclosure of Interests – Declared at least annually by Directors of group companies and other employees in positions of influence or fiduciary responsibility, as determined by management.

This policy supports Personal Trust's Code of Ethics and Treating Customers Fairly commitments by promoting integrity, transparency and fairness in all client-related decisions.

This policy is reviewed periodically to ensure continued alignment with regulatory requirements and standards of good governance.