

CONFLICT OF INTEREST MANAGEMENT POLICY

Application

This policy applies to all employees, contractors, consultants, mandated representatives and agents acting on behalf of, or under the control of, Everest in relation to its business activities.

Company/ies: Everest Wealth Management (Pty) Ltd (FSP 795). Company Reg. No. 2002/004025/07

This company is referred to as “Everest”.

Scope

This policy establishes Everest’s framework for the identification, avoidance, mitigation, disclosure and management of conflicts of interest arising in relation to its business activities.

Conflicts of interest may be actual, potential or perceived in nature and may arise from financial interests, ownership interests, personal relationships, external business interests or any other circumstance that may impair, or reasonably appear to impair, objective decision-making or the fair treatment of clients.

Where relevant, this policy also applies to prospective employees, contractors or representatives participating in recruitment, onboarding or appointment processes requiring conflict of interest disclosures.

Purpose

The purpose of this policy is to assist individuals in identifying, disclosing and appropriately managing actual, potential and perceived conflicts of interest.

This policy provides the framework, principles and procedures applicable to the identification, avoidance, mitigation, disclosure and management of conflicts of interest arising in relation to Everest’s business activities.

The policy further seeks to ensure compliance with the Financial Advisory and Intermediary Services Act (“FAIS”) and the General Code of Conduct, which requires that financial services be rendered honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry

Policy

Everest is committed to identifying, avoiding and, where avoidance is not possible, effectively mitigating any actual, potential or perceived conflict of interest that may arise between Everest, its representatives, employees, contractors or associates and its clients in the rendering of financial services.

Everest will not permit conflicts of interest to unfairly prejudice the interests of clients or compromise the fair, objective and appropriate rendering of financial services.

Where a conflict of interest cannot reasonably be avoided, the conflict, together with the measures implemented to mitigate the conflict and its potential impact on the client, will be disclosed to the affected client(s) in a clear, timely and appropriate manner.

Allowable financial interests

The following allowable financial interests have to be disclosed internally in the company's gift register:

- Promotional items (provided that the aggregate value received from the same external financial services provider does not exceed R1 000.00 in any given year); and
- any other financial interest (including cash, vouchers, gifts, hospitality, accommodation, sponsorships or similar benefits) with a determinable monetary value not exceeding R1000.00 per FAIS representative / key individual in any given year.

The following allowable financial interests have to be disclosed internally in the company's conflicts of interest register and directly and unequivocally to affected clients:

- ownership interest;
- directorships in other companies outside of the Everest Group; and
- rebates or fees received from product providers and which affects the fee payable by the client or which could potentially influence the advice process.

Disallowed financial interests

The following financial interests are prohibited:

- (including cash, vouchers, gifts, hospitality, accommodation, sponsorships or similar benefits) –
 - a quantity of business to the exclusion of quality of service to the client;
 - a specific product supplier; or
 - a specific product where more than one product or supplier may appropriately be recommended;
- any financial interest not expressly permitted as an allowable financial interest in terms of this policy or applicable legislation;;
- cash, cash equivalents, vouchers, gifts, services, benefits, discounts, hospitality, accommodation, sponsorships, local or foreign travel, incentives or any other valuable consideration not specifically permitted as an allowable financial interest in terms of this policy, including travel and accommodation associated with training; and;

- allowable financial interests exceeding the applicable monetary thresholds contained in this policy; and; and
- training, conferences or events restricted to selected providers or FAIS Representatives, particularly where the training includes excessive hospitality, travel, accommodation or other benefits not reasonably necessary for product, legal, industry or systems training related to the rendering of financial services.

Procedure - measures for avoidance or mitigation of conflicts of interest and control measures

Reporting and record keeping

Both a Gifts Register for allowable financial interests (Annexure A) and a Conflicts of Interest Register for Ownership interests, Directorships and Disallowed financial interests (Annexure B) have been implemented.

The Company's external compliance manager will act as the custodian of both the Conflicts of Interest register and the Gifts register.

Each Representative has a duty to report any such an immaterial financial interest provided or received to the custodian of the Gifts Register (within a week of giving / receiving such a gift) who shall report to the Managing Director of the Company as soon as the aggregate financial interest given or received by any one representative from that product provider, or third party reaches R1 000.00 in that particular year.

Chief Executive Officer authorisation

A financial interest with a monetary value of more than R1000.01 constitutes a material conflict, and will prior to giving, or accepting such a financial interest, the employee or Representative must obtain the written consent of the Managing Director of Everest for the gift. Such an instance must be recorded in the relevant Conflict of Interest register.

Annual Key Individual and Representative disclosure

- i. All the Key Individuals and Representatives will be required to also complete the 'Conflicts of Interest Questionnaire' as provided for in Annexure C of this policy.
- ii. The conflict of interest register will be updated and reviewed by the Key Individual(s).
- iii. If it has been established that a particular situation or activity gives rise to a conflict of interest, such a situation must be avoided.
- iv. If such a conflict of interest is inevitable it is the responsibility of the Managing Director to ensure that the effect if the conflict is mitigated by disclosing the conflict of interest to the relevant client(s).

Disclosure

Relevant information regarding Everest's legal structure and material related-party relationships will be disclosed where required in terms of applicable legislation and the Conflict of Interest Management Policy.

Relationships with Service Providers

Everest may from time to time utilise external service providers in the ordinary course of its business activities, including those of Laudian Investment Holdings and other operational or strategic service providers.

Everest confirms that no shared ownership, controlling interest or common directorship exists between Everest and Laudian Investment Holdings that results in either party exercising control or undue influence over the other.

Any commercial, operational or referral relationships with service providers are subject to Everest's conflict of interest management processes and are continuously assessed to ensure that financial services continue to be rendered objectively, fairly and in the best interests of clients.

Where an actual, potential or perceived conflict of interest is identified in relation to a service provider relationship, appropriate mitigation and disclosure measures will be implemented in accordance with this policy and applicable legislation.

Further reporting of conflicts of interest

All activities that resulted in conflict of interest situations must be reported to the company's compliance officer on a bi-annual basis.

Record keeping

Declarations and relevant registers will be stored securely for future reference.

Consequences of non-adherence

Violation of this policy and procedures described herein will result in appropriate disciplinary action.

Training and awareness

All staff will receive training on this policy and related requirements.

Review

This policy shall be reviewed annually and any changes to this policy shall be communicated to all staff.