

CONFLICT OF INTEREST MANAGEMENT POLICY

1. PURPOSE

Boutique Collective Investments (RF) (Pty) Ltd (“BCI”), a subsidiary of Efficient Group (Pty) Ltd (“Efficient Group”), and a registered Manager of Collective Investment Schemes, is committed to avoid, and where this is not possible, to mitigate and disclose any conflict of interest that may arise between BCI’s interests, the interest of the employee, investment managers’ interests and the interests of clients. The objective of this Policy is:

- to manage conflict of interest within BCI; and
- to assist employees to identify potential and actual conflict of interest and to disclose it appropriately.

This Policy has been developed in line with the requirements of the provisions in the Conduct Standards for Managers of Collective Investment Schemes and the Collective Investment Schemes Control Act, No 45 of 2002 and industry best practice.

2. SCOPE

All BCI employees are bound by this Policy. This Policy should be read in conjunction with the following Efficient Group policies:

- Conflict of Interest Management Policy;
- Gifts Policy;
- Anti-bribery and Corruption Policy;
- Treating Customers Fairly Policy;
- Whistleblowing Policy; and
- Levels of Authority.

3. DEFINITIONS

In this policy, unless the context otherwise indicates:

Authority	means Financial Sector Conduct Authority (FSCA)
clients	means investors in BCI portfolios and BCI's collective investment scheme co-naming partners.
conflict of interest	<p>means any situation or relationship in which BCI or an employee of BCI has an actual or potential interest that may:</p> <ul style="list-style-type: none"> a. influence the objective performance of BCI's financial service obligations to its clients; or b. prevent BCI or an employee from rendering a fair financial service to its clients or from acting in the interest of its clients, including but not limited to: <ul style="list-style-type: none"> i. a financial interest; ii. an ownership interest; or iii. any relationship with a third party <p>or</p> <p>any situation in which BCI, or an employee of BCI,</p> <ul style="list-style-type: none"> i. is likely to make a financial gain, or avoid a financial loss, at the expense of the scheme or portfolio; ii. has an interest in the outcome of a service or an activity provided to the scheme or portfolio or another client or of a transaction carried out on behalf of the scheme or portfolio or another client, which is distinct from the scheme or portfolio interest in the outcome; iii. has a financial or other incentive to favour the interest of another client or group of clients over the interests of the scheme or portfolio; or iv. receives or will receive from a person other than the scheme an inducement in relation to portfolio

	management activities provided to the scheme or portfolio, in the form of monies, goods or services, other than the standard commission or fee for that service.
employee	means full-time or part-time employees of BCI, whether temporary or permanent, and includes directors, interns, and agents.
gift	means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentives, or valuable consideration, excluding training on: <ul style="list-style-type: none"> i. financial products and legal matters relating to those products; ii. general financial and industry information; and iii. specialised technology systems of a third party necessary for the rendering of a financial service, but excludes travel and accommodation associated with that training.
ownership interest	means any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or a proprietary interest held as an approved nominee on behalf of another person, and includes any dividend, profit share or similar benefit derived from that equity or ownership interest.
senior management	means persons who make or participate in making decisions that affect the whole or a substantial part of the business of BCI;
SharePoint	means a web-based collaborative platform used by Efficient Group for various purposes, including document management and employee engagement.

4. CONTROLS TO IDENTIFY, MANAGE AND DISCLOSE CONFLICTS OF INTEREST

4.1 The receipt and offering of gifts by employees are subject to the rules of the Efficient Group Gifts Policy. Employees must log the receipt and offering of gifts on the Efficient Group [gift register](#) on SharePoint for the consideration of the Managing Director of BCI.

- 4.2 All employees are required to report any potential or actual conflicts of interest to the compliance department via the online [conflict of interest register](#) available on SharePoint.
- 4.3 BCI must report on and disclose any conflict of interest to clients and co-branded partners through any appropriate durable medium and give reasons for the conflict of interest.
- 4.4 The board of directors of BCI are required to annually declare their awareness of this Policy and that they are obligated to disclose any potential or actual conflict of interest by completing a fit and proper declaration.
- 4.5 All employees, clients, and other stakeholders, who have serious concerns about BCI's business practices, are encouraged to come forward and voice these concerns. An anonymous tip-off facility is available on the Efficient Group website for employees and third parties.
- 4.6 BCI and its employees may not avoid, limit, or circumvent or attempt to avoid, limit or circumvent compliance with this Policy.

5. DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

- 5.1 BCI co-branded partners and underlying investment managers earn co-naming and investment management fees from BCI portfolios.

6. ROLES AND RESPONSIBILITIES

The roles and responsibilities of various parties within BCI are as follows:

- 6.1 The compliance department is responsible for:
 - a. continuously monitoring compliance with this policy and reporting on any findings to senior management and the Efficient Group Chief Compliance Officer ("CCO");
 - b. reviewing the Conflict of Interest Management Policy annually or more frequently in the event of legislative changes;
 - c. creating awareness of the requirements of this Policy to all employees;
 - d. publishing this Policy on SharePoint to be accessible by all employees at all times;

- e. reporting to the Authority on the implementation, monitoring and compliance with, and the accessibility of this Policy; and
- f. ensuring that this Policy is published on the BCI website, easily accessible by all clients and other third parties, and made available to all relevant stakeholders upon request.

6.2 Employees are responsible to:

- a. log any actual or potential conflicts of interest on the conflict of interest register on SharePoint; and
- b. report any suspicions regarding non-compliance with this Policy to the compliance department immediately or use the anonymous tip-off facility on the Efficient Group website.

6.3 Senior management is responsible to:

- a. identify any circumstances which may give rise to a conflict of interest resulting from the relationship between BCI and its associate companies within the Efficient Group and oversee that the necessary controls are implemented to prevent and mitigate any potential conflict of interest. The Efficient Group legal structure is attached to this Policy marked as ANNEXURE A.
- b. record on the [conflict of interest register hosted on the SharePoint](#), the types of portfolio management activities undertaken by or on behalf of BCI in which a conflict of interest entailing a material risk of damage to the interests of one or more portfolio or other clients has arisen or, in the case of an ongoing portfolio management activity, may arise.
- c. ensure that BCI acts in the best interests of the scheme and the clients.
- d. oversee that internal conflict of interest procedures are sufficient to ensure with reasonable confidence that risks of damage to the interests of the scheme or portfolio or of its clients will be prevented.

7. RECORDKEEPING

Records pertaining to identified or potential conflicts of interests, e.g. the gift register, the conflicts of interest register, and any other applicable records and mitigation action, must be kept for at least five years from date that the identified or potential conflict ceased to exist.

8. CONSEQUENCES OF NON-COMPLIANCE

Violation of this policy by any employee may result in disciplinary action being taken against the employee, in accordance with Efficient Group's Disciplinary Policy as amended from time to time. Providing false or misleading information or concealing material facts relating to activities logged, or that must be logged in the conflicts of interest register is, in addition to being misconduct, a punishable offence.

9. IMPLEMENTATION, TRAINING AND GENERAL AWARENESS

This Policy is made available to all employees on SharePoint, and the compliance department will ensure that all employees undergo the necessary training on this policy.

10. POLICY MAINTENANCE AND APPROVAL

This Policy has been reviewed by the CCO and is approved by the BCI Board of Directors. The CCO will review this policy annually, and any changes to it are subject to the approval of the BCI Board of Directors.

ANNEXURE A – LIST OF ASSOCIATED COMPANIES OF BCI

EFFICIENT GROUP LEGAL STRUCTURE

