



# UNIGESTION UK LIMITED

## Conflicts of Interest Policy

Signatory of:





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# 1. INTRODUCTION

Unigestion UK Limited (the Firm) is authorised and regulated by the Financial Conduct Authority (FCA). The Firm is authorised under the Alternative Investment Fund Managers Directive (AIFMD) which imposes standards for the identification and managing of conflicts of interest. The Firm is also permitted to undertake certain Investment Services under the Markets in Financial Instruments Directive, as recast by MiFID II (MiFID). The AIFMD, MiFID and the FCA's rules require the Firm to identify actual and potential conflicts which may arise during the course of carrying out regulated or ancillary activities or services and to have systems and procedures in place to manage such conflicts.

The SEC has also indicated that, as part of the fiduciary duty owed to clients, advisers must identify and mitigate any conflicts of interest that are inherent in the firm's business. If a conflict cannot be entirely mitigated, then it must be fully and accurately disclosed to clients via the Form ADV Part 2A, offering documents for the funds, or the investment advisory contracts with clients.

This Conflicts of Interest Policy has been adopted by the Firm in order to ensure compliance with each of:

1. AIFMD
2. MiFID
3. FCA's rules
4. SEC's rules

as these apply to the Firm's business.

Principle 8 of the FCA Rules states that "A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client".

A conflict of interest arises when the firm's interests or the interests of other Group Companies, its managers, employees, or any person directly or indirectly linked to it by control, conflict with the duties it owes to a client or the duties the firm owes to one client, conflicts with the duties it owes to another client, during the course of the firm providing regulated or ancillary services and activities. This policy has been prepared with due recognition of the potential for the activities of any part of the Unigestion group to give rise to a conflict of interest entailing risk of damage to the interests of one or more of the Firm's clients.

The Firm shall take all appropriate steps to identify and to prevent or manage conflicts of interest across Unigestion (UK) Ltd ("the Firm"), and measures have been put in place to manage such conflicts in a way that is fair to clients.

Under MiFID II the Firm is required to disclose any unmanaged or un-prevented conflicts to its MiFID clients.

Under AIFMD the Firm is required to operate subject to robust governance control so as to minimise conflicts of interest and to take all reasonable steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose, those conflicts of interest in order to prevent them from adversely affecting the interests of the any AIFs managed by the Firm and their investors and to ensure that the AIFs they manage are fairly treated. The Firm has resolved to adopt the same standard as mandated under MiFID; namely to take all appropriate steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose, those conflicts of interest in order to prevent them from adversely affecting the interests of the any AIFs managed by the Firm and their investors and to ensure that the AIFs they manage are fairly treated.

All employees and persons directly or indirectly linked to the Firm are expected to exercise the highest standards of integrity and ethical business conduct to ensure the fair treatment of clients. All employees are required to avoid situations in which their personal interests conflict with our fiduciary duties to clients. They are also required to manage situations where the interests of clients may conflict.



## 2. TYPES OF CONFLICTS

Under AIFMD, the Firm's conflicts of interest policy must identify situations in which activities carried out by the AIFM could constitute conflicts of interest that do or do not lead to potential risks of damage to the AIF's interests or the interests of its investors.

For the purposes of identifying the types of conflict of interest that arise, or may arise, in the course of providing a service and whose existence may entail a material risk of damage to the interests of a client, the Firm must take into account, as a minimum, whether the Firm or a relevant person, or a person directly or indirectly linked by control to the Firm:

1. is likely to make a financial gain, or avoid a financial loss, at the expense of the client, any AIF of which the Firm is the AIFM and any investors in that AIF
2. has an interest in the outcome of a service provided to the client, or any AIF of which the Firm is the AIFM and any investors in that AIF or of a transaction carried out on behalf of the client, which is distinct from the AIF's, or the client's, interest in that outcome
3. has a financial or other incentive to favour
  - the interest of another client or group of clients over the interests of the client
  - the interest of a UCITS, a client or group of clients or another AIF over the interest of the AIF
  - the interest of one investor over the interest of another investor or group of investors in the same AIF
4. carries on the same business as the client
5. carries out the same activities for the AIF and for another AIF, a UCITS or client
6. receives 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, or
7. receives or will receive from a person other than the AIF or its investors an inducement in relation to collective portfolio management activities provided to the AIF, in the form of monies, goods or services other than the standard commission or fee for that service.

In respect of any open-ended AIF managed by the Firm, the Firm will shall identify, manage and monitor conflicts of interest arising between investors wishing to redeem their investments and investors wishing to maintain their investments in the AIF, and any conflicts between the AIFM's incentive to invest in illiquid assets and the AIF's redemption policy.



### 3. IDENTIFICATION AND RECORDING OF CONFLICTS

The Firm will record each of the conflicts it identifies in its Conflicts of Interest Register. The register will identify each of the circumstances that may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients. Each entry will identify the investment service or ancillary service carried on by the Firm to which the conflict relates. The record will also specify the procedures adopted by the Firm to prevent or manage the conflict that has been identified.

The AIFMD requires the Firm, as the AIFM of one or more AIFs, to take all reasonable steps to identify conflicts of interest that arise in the course of managing AIFs between:

<b>A</b>	The Firm, including its managers, employees or any person directly or indirectly linked to the Firm by control,	and	The AIF managed by the AIFM or the investors in that AIF
<b>B</b>	The AIF or the investors in that AIF	and	Another AIF or the investors in that AIF;
<b>C</b>	The AIF or the investors in that AIF	and	Another client of the AIFM
<b>D</b>	The AIF or the investors in that AIF	and	And a UCITS managed by the AIFM or the investors in that UCITS
<b>E</b>	One client of the Firm	and	Another client of the Firm

Any such conflicts as shall be applicable to the Firm's activity as the AIFM of one or more AIFs will be recorded in the Conflicts of Interest Register.

The Conflicts of Interest Register is maintained, and regularly updated, by the Compliance Officer.

The appropriate business functions are involved in the identification of potential conflicts of interest through the annual risk map review for each business area.



## 4. HOW THE FIRM MANAGES POTENTIAL CONFLICTS OF INTEREST

Employees are made aware of the policies and procedures in place that are designed to identify and manage possible conflicts through their normal business operating procedures, ad-hoc guidance from the compliance department, training and normal day to day business communications.

The Firm's standard employment contract requires staff to devote their full time and efforts to the Firm's business. Employees are prohibited from undertaking any other employment or engage or be involved or interested in any other business without the prior written consent of the board. The Compliance Officer maintains an Outside Interests Register for this purpose. If such other employment or engagement or interest in another business does not involve any remuneration and time effort and is not directly or indirectly in competition with Unigestion's business, then the outside interest can be authorised by the Compliance Officer in consultation with the relevant line manager, without any need for board approval.

All staff and directors are required to sign an annual Interests declaration.

To manage any potential conflicts of interests the firm has put in place a number policies and procedures to mitigate and control the risk. Such policies include but are not limited to:

- ▶ The Firm's Code of ethics
- ▶ Risk Management Policy providing for the independent performance of the risk management function
- ▶ Market Abuse Policy
- ▶ Bribery & Corruption Policy
- ▶ Personal Account Dealing Procedure
- ▶ Gifts and Benefits Procedure
- ▶ Policy on the use of in-house products
- ▶ Treating customers fairly policy
- ▶ Allocation and Aggregation policy
- ▶ Stewardship Code

General organisation arrangements such as independent valuation committee, risk management committee, four eyes principle, segregation of duties, information security and remuneration structures help to underpin this effort.

The Firm monitors adherence to these policies and procedures through its compliance monitoring program on an on-going basis.

The Firm does not deal on its own account.

The Firm does not enter into dealing commission (soft commission) agreements and does not receive any rebates or commissions.

The Firm will ensure that the Firm's personnel engaged in different business activities involving a risk of conflict of interest carry out these activities having a degree of independence which is appropriate to the size and activities of the Firm and of the Unigestion Group, and to the materiality of the risk of damage to the interests of the AIF or its investors.



## 5. REPORTING

The Compliance officer reports in writing to the board of directors six monthly on conflicts of interest.

Any unmanaged or un-prevented conflicts of interest are disclosed the firm's Form ADV and clients are individually notified as soon as practicable after discovery of such conflicts of interest.



## 6. DISCLOSURE OF CONFLICTS

The Firm is subject to the standards relating to disclosure of conflicts of interest under two distinct regulatory regimes, as follows:

1. The Firm is subject to the disclosure regime mandated by MiFID in respect of its MiFID Investment Business
2. The Firm is subject to the disclosure regime mandated by AIFMD in respect of its AIFM activities

The two regimes apply different requirements regarding disclosure of conflicts. These differences reflect the differences between the provision of a MiFID Investment Service to a client and the activity of acting as the AIFM of an AIF.

### **Disclosure – MiFID Business**

The Firm will comply with the disclosure requirements as these apply to each activity separately and in the manner set out below.

The Firm is committed to managing in an effective way each of the actual, or potential, conflicts of interest that it identifies and not to allow any such conflict to adversely affect the interests of any of the Firm's clients. In the unlikely event that the Firm identifies a conflict of interest that the Firm is not confident that it is able to manage in such a way as to prevent the conflict from adversely affecting the interests of one or more of its client, the Firm will only proceed with the relationship or arrangement that creates the conflict when the following steps have been taken:

1. The nature of the conflict has been considered by the Firm's board of directors at a board meeting (whether one of its periodic meetings or a meeting convened for the specific purpose of considering the conflict) and the board resolves to proceed with the relationship or arrangement notwithstanding the fact that there is a risk that the interests of one or more clients may be adversely affected;
2. The nature of the conflicts and the steps taken to mitigate it have been clearly disclosed, in a durable medium, to each client in sufficient detail to enable each client affected to take an informed decision whether the client wishes to proceed with the service provided by the Firm.

This policy has been adopted so that the Firm can demonstrate it is committed to managing any conflicts of interest that it identifies and that it will only proceed with any arrangement or relationship where the Firm cannot ensure, with reasonable confidence, that the risk of damage to a client cannot be prevented after making a clear disclosure and only then as a last resort.

### **Disclosure – AIFM Activities**

Where organisational arrangements made by the Firm to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors' interests will be prevented, the Firm will clearly disclose the general nature or sources of conflicts of interest to the investors before undertaking business on their behalf, and develop appropriate policies and procedures.

Where the organisational or administrative arrangements made by the Firm are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the AIF or investors in the AIF are prevented, the Firm's board of directors shall be promptly informed in order to take any necessary decision or action to ensure that the Firm acts in the best interests of the AIF or the investors in that AIF.





## 7. CONCLUSION

The Firm believes that it does not currently have any conflicts of interest risks to disclose that are not appropriately managed.