



## **INFORMATION ABOUT OUR CONFLICTS OF INTEREST POLICY**

The success of JB Drax Honoré (**JB Drax**) depends on clients' confidence in the integrity and professionalism of its personnel. Integrity requires, among other things, being honest and candid. Deceit and subordination of principle are inconsistent with integrity.

To reinforce client confidence, senior managers and employees must avoid situations that might interfere with making decisions in the best interest of clients. In business, a conflict of interest is generally understood to mean situations where a person or entity has two or more interests which are inconsistent. Senior managers and employees should avoid placing JB Drax or themselves in a position that gives rise to a conflict of interest.

A conflict of interest may occur when you allow any interest, activity or influence outside of JB Drax to:

- influence your judgment when acting on behalf of JB Drax;
- cause you to compete against JB Drax in any business activity;
- harm or impair JB Drax's reputation;
- cause you to benefit one client at the expense of another client; or
- cause you to benefit JB Drax at the expense of any client.

Each senior manager or employee is expected to:

- avoid conflicts of interest wherever possible;
- handle any actual or potential conflict of interest ethically;
- not use his or her personal influence or personal relationships to influence investment decisions or financial reporting by JB Drax to the detriment of JB Drax or any client;
- not allow any conflict of interest to cause JB Drax to take action, or fail to take action that would disadvantage any client;
- not use knowledge of any actual or potential transactions for a client or JB Drax to profit (or avoid a loss), or cause others to profit (or avoid a loss), by the market effect of such transactions; and
- as described in more detail below, discuss with senior managers or the Compliance Officer any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.



Each senior manager or employee is expected to carefully consider the following as potential conflicts of interest:

- any outside business activity;
- service as a manager or board member of any other firm;
- trusteeships;
- connection with a broker, or other party with whom JB Drax does business;
- fees or commissions from counterparty clients (including market maker clients on the other side of a client trade) (which may in any case only be accepted if they are in accordance with JB Drax Dealing Rules);
- receipt or provision of gifts in excess of a nominal amount;
- receipt or provision of entertainment that is not reasonable in cost or appropriate as to time, place and frequency;
- influence on hiring, evaluation or compensation of any family member;
- any direct or indirect financial interest from JB Drax's or their service provider vendors; and
- the competing requirements between clients.

### **Disclosure and Compliance**

Each senior manager and employee should act in accordance with all applicable laws, rules and regulations and administrative procedures.

They should not knowingly misrepresent, or cause others to misrepresent, facts about JB Drax to others (whether within or outside JB Drax).

All staff are required to disclose all relationships (directorships, trusteeships etc) that may constitute a conflict of interest.

According to applicable law, if the arrangements put in place by JB Drax to manage conflicts are not sufficient to ensure with reasonable confidence that the risk of damage to the interests of a client will be prevented, JB Drax must clearly disclose the general nature and sources of conflicts to the client or decline to act for the client. Such disclosure:

- should be made in a durable medium; and
- should be in sufficient detail to allow the client to make an informed decision with respect to the service to be performed and in the context of which the conflict of interest arises. This means, for example, that the level of disclosure will need to be enhanced for professional clients in comparison to eligible counterparty clients.



## **Whistleblowing**

A Whistleblowing Policy is in place for Staff.

## **Ensuring Fair Treatment**

JB Drax ensures fair treatment to its clients in the following ways:

- JB Drax has adopted an independence policy to ensure any investment activities undertaken by the senior managers or employees are undertaken with a view to treating all customers fairly.
- JB Drax does not trade on its own account.
- JB Drax has policies and procedures to ensure any Personal Account Dealing Transaction by its personnel is performed and followed up in accordance with relevant rules and regulations and that they are not in conflict with client transactions.

## **Disclosure of Financial and Disciplinary Information**

JB Drax must and will disclose:

- Any financial condition of JB Drax that is reasonably likely to impair its ability to meet its contractual commitments to clients.
- Any legal or disciplinary event that is material to an evaluation of JB Drax's integrity or ability to meet its contractual commitments to clients.

## **Confidential Information**

JB Drax has procedures applying to all senior managers and employees addressing the use of confidential information.

## **Information Barriers**

If it is deemed necessary, JB Drax imposes information barriers to prevent the unauthorised flow of confidential information from one part of JB Drax to another part of JB Drax.

Information barriers are intended to prevent conflicts of interest by limiting access to certain types of confidential information.



## **Personal Account Dealing**

JB Drax has internal personal account dealing rules which apply to all senior managers and employees. Details of the rules are contained in a Personal Account Dealing Notice provided to all senior managers and employees upon commencement of employment (and as updated from time to time). Certain personal account dealing is prohibited, and certain dealing is only permitted with the prior permission of JB Drax's Compliance Officer.

The JB Drax internal procedures ensure that:

- (i) A personal account transaction in a designated investment undertaken by any of its employees does not conflict with JB Drax's duties to its customers under the regulatory system; and
- (ii) When it gives permission to any of its employees to undertake a personal account transaction, it receives prompt notification of, or is otherwise able to identify, that transaction.

These requirements do not apply if JB Drax has taken reasonable steps to determine that the employee will not be involved to any material extent in, or have access to information about, JB Drax's designated investment business.

## **Training and Monitoring**

JB Drax provides training to senior managers and employees on conflicts of interest and its procedures for managing conflicts of interest including internal reporting.

JB Drax regularly monitors the effectiveness of its policies and procedures to handle conflicts of interest.

## **Policy review**

The Policy is subject to regular review by the Policy owner and at a minimum once during each 12 month period.