

Conflicts of Interest Policy

When acting for our clients, Findlay Park Partners LLP (“Findlay Park”, “our”, “we”) must always act with the utmost integrity and put the interests of our clients ahead of those of Findlay Park, its partners and employees. This Policy is a key part of FPP’s Systems and Controls - established to ensure the Firm complies with the FCA rules on conflicts of interest set out in SYSC 10.

This Conflicts of Interest Policy provides key information on how actual and potential conflicts of interest are identified, prevented or managed, documented and monitored within Findlay Park.

We are required to:

1. Take all appropriate steps to identify conflicts of interest between:
 - a. Findlay Park and its client(s);
 - b. An employee and our client(s);
 - c. Two or more of our client(s);
 - d. A third-party service provider and our client(s).
2. Maintain and operate effective organisational arrangements with a view to taking all appropriate steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients.
3. Establish, implement and maintain an effective written conflicts of interest policy (“the Conflicts of Interest Policy”) which identifies those conflicts of interest which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients and the procedures which are followed to manage and mitigate such conflicts that cannot be prevented.
4. Make full and fair disclosure to clients of all material facts about their business relationship with us, particularly regarding conflicts of interest

A conflict may arise where Findlay Park and / or its partners and employees:

- are likely to make a financial gain or avoid a financial loss at the expense of the client;
- have an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client’s interest in that outcome;
- have a financial or other incentive to favour the interest of another client or group of clients over the interest of the client;
- carries on or has a significant interest in the same activities as the client;
- receives, or will receive, from a person other than the client, an inducement (other than an acceptable minor non-monetary benefit) in relation to the service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.

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IDENTIFYING, PREVENTING, RECORDING AND MANAGING CONFLICTS

1. Identifying Conflicts of Interest

A periodic exercise is undertaken to identify new actual or potential conflicts of interest within Findlay Park, and these are recorded in the Findlay Park conflicts of interest register. The latter is maintained by the Compliance Department and reviewed at least annually by the Risk and Compliance Committee, or upon any material change.

All Findlay Park staff are required to identify any actual or potential conflicts of interest on an on-going basis and report them to Compliance as soon as possible. The Compliance team will then consider what if any additional information is required in order to make an assessment.

2. Record of Conflicts

The Findlay Park Compliance team maintains and regularly updates records of actual and potential conflicts of interest identified in its conflicts register.

3. Managing Conflicts of Interest

These conflicts are managed via our organisational arrangements, systems and controls, and governance framework, to prevent damage to the interests of clients. These include, but are not limited to:

1. The Findlay Park governance structure, including the Findlay Park Risk and Compliance Committee which is responsible for the oversight of conflicts management;
2. Written policies and procedures to manage conflicts areas including a Code of Conduct, Compliance Manual, Outside Business Interests Policy, Personal Account Dealing Policy, Inducements, Gifts and Benefits Policy (including Hospitality and Entertainment), Market Conduct Policy, Order Execution Policy, Third Party Research Policy and Remuneration Policy. These policies and underlying procedures are subject to Findlay Park's regular independent review and monitoring processes;
3. Providing training to our staff on conflicts management;
4. Ensuring appropriate segregation of duties between key functions e.g. Portfolio Management and Dealing;
5. Regular monitoring by our Compliance department. The results of which are communicated through the governance structure.

We consider these measures appropriate to prevent or manage the conflicts arising to avoid the material risk of damage to client interests.

4. Disclosure

If Findlay Park's organisational arrangements and all reasonable efforts taken to prevent or manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that the material risks of damage to the interests of a client will be prevented, Findlay Park will clearly disclose the specific description of the nature and sources of the conflict to the client.

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Such disclosure will be made prior to the conclusion of a contract, and in a durable medium to the client and include sufficient detail of the conflict and the steps undertaken to mitigate these risks, to enable the client to take an informed decision with respect to the service in the context of which the conflicts of interest arise.

As at the date of this statement, Findlay Park does not have any conflicts where the measures in place do not sufficiently mitigate the conflict and the risk of harm to the client. Findlay Park is the appointed investment manager to one fund, the Findlay Park American Fund. It does not manage any segregated accounts.

In an extreme case where we consider that the conflict of interest is too great and cannot be managed in any other way (including by disclosure), we may decline to act for the client.

SUMMARY OF CONFLICTS OF INTEREST

A summary of the principal conflicts that exist within Findlay Park, and the steps taken to prevent or mitigate them are set out below.

Outside Business Interests

No Findlay Park employee may engage in any additional outside business activities that may conflict with the interests of our client(s) or Findlay Park, including directorships or personal fiduciary appointments, without prior written approval from their line manager and Compliance. Compliance maintains a register of all outside business interests and evaluate on an annual basis whether any conflicts arise.

Personal Account Dealing

Findlay Park has specific policies on when partners, employees and their connected persons are permitted to undertake personal account transactions. This is in place to ensure that any such dealing does not give rise to a conflict of interest or misuse of insider, proprietary or client confidential information and that clients are not disadvantaged because of these dealings.

Inducements

Findlay Park is dedicated to providing honest, fair and professional services to its clients. For this reason Findlay Park operates on the basic premise that no inducements (monetary and non-monetary benefits) are received in relation to the investment service and /or ancillary service, unless these qualify as an acceptable minor non-monetary benefit (i.e.: they are capable of enhancing the quality of service provided to a client and are of a scale and nature that they could not be judged to impair compliance with Findlay Parks duty to act in the best interests of the client.)

Gifts and Entertainment

Findlay Park restricts the offering and receipt of gifts and entertainment to or from our client(s) and other business parties, to ensure these justifiable in the circumstances and unlikely to influence the professional judgement of the persons concerned. A central record of gifts and entertainment is maintained by the Compliance Department.

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Market Conduct

The Findlay Park Market Conduct Policies and Procedures document the steps taken to establish and maintain appropriate systems and controls to mitigate the risk that Findlay Park or its employees could abuse the markets for financial gain.

Order Execution,

Findlay Park has an Order Execution Policy which requires that when placing or executing client orders, we take all sufficient steps to ensure the best possible result is achieved for clients on a consistent basis.

Regular monitoring is carried out by Compliance to ensure that our policies and procedures are followed, they remain effective, and that we continue to act in accordance with the best interests of its clients when placing orders

Third Party Research

The receipt of research from third party brokers has the potential to constitute a conflict of interest, where this could affect an individual's judgement. As a result, Findlay Park pay for all third-party research using direct payments out of its own resources

Remuneration

Findlay Park has a Remuneration Policy and framework that takes into account the interests of the Firm's clients, with a view to ensuring that the client's interests are not impaired by the remuneration practices adopted by the Firm in the short, medium and long term.

In setting and applying this Policy and associated practices consideration is given to the Firm's: (i) risk appetite and strategy (including environmental, social and governance risk factors); (ii) culture and values; and (iii) the long-term effects of investment decisions.

Responsible Investment including voting

Conflicts of interest may arise in relation to responsible investment and sustainability matters.

Conflicts may arise where Findlay Park exercises its active ownership responsibilities. An example might be a personal relationship between a Board member and a portfolio manager who might typically be involved in a voting decision. Any conflict identified during the exercise of our active ownership responsibilities is escalated to senior management to ensure that we always act in our clients' best interests.

Conflicts of interest may arise with respect to our external commitments and communications on responsible investment and sustainability matters. These include risks of 'greenwashing', whereby the nature or degree of consideration given to responsible investment and sustainability factors is misrepresented to investors or other stakeholders. The firm has controls in place, including prior approval by Compliance of all financial promotions in order to reduce the risk of this conflict.

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MONITORING, REVIEW AND CHALLENGE

The Compliance team undertakes periodic monitoring of disclosed conflicts as part of the annual Compliance Monitoring Programme. The results of this and findings are tracked for completion.

The Findlay Park Risk and Compliance Committee receives and reviews Compliance Monitoring MI which will include all areas covered in this policy is responsible for overseeing the identification and management of conflicts.