



# Conflicts of Interest policy

Certified



ebi meets high standards of social and environmental impact.

Corporation

Find out more at [ebi.co.uk](https://ebi.co.uk)

## Policy detail

Under FCA's Principle for Business, Principle 8 (Conflicts of Interest) we are required to pay due regard to the interests of each client and to prevent or manage any conflicts of interest fairly, both between ebi and our employees, clients, partners and between a client and another client. The specific rules for dealing with conflicts of interest can be found under the Senior Management Systems and Controls (SYSC) rules which can be found at SYSC 10.

In addition to complying with FCA requirements, we recognise that handling conflicts fairly is a fundamental element of good business practice and is required to assist in maintaining and developing our firm's business.

**We will take all appropriate steps to identify and prevent or manage conflicts of interest, by:**

- a) Identifying and preventing any potential circumstances which may give rise to conflicts of interest, and which pose a risk of damage to clients' interests;
- b) Establishing and maintaining appropriate mechanisms and systems to manage those conflicts; and
- c) Maintaining systems at all times in an effort to prevent actual damage to clients' interests through the identified conflicts.

## Introduction to ebi

ebi provides discretionary fund management services to regulated financial advisers to use with their clients.

This policy is designed to highlight the potential conflicts of interest that may arise between ebi and our employees, clients and partners.

ebi is committed to identifying, monitoring and managing all actual and potential conflicts of interest that can arise between ebi and our employees, clients and partners.

This policy describes the internal arrangements that ebi has in place in order to ensure that it can demonstrate appropriate organisational and structural measures to identify, record and manage any actual or potential conflicts of interest.

## General Principles

Like any financial services company ebi is potentially exposed to conflicts of interest in relation to various activities. In the protection of our clients' interests we will identify circumstances that may give rise to conflicts and we have established and will maintain appropriate mechanisms and systems to manage such conflicts:

- All staff, including permanent, temporary, contractors etc must disclose any interests including any personal activities outside of the firm which could conflict with their duties
- Staff must not exploit, or appear to exploit, to their personal advantage any personal or professional relationships with any individual or firm
- All staff must be aware of the potential for conflicts arising between either ebi and a client or between one client and another client, and disclose these as required

All potential conflicts must be reported to ebi's Compliance via [compliance@ebi.co.uk](mailto:compliance@ebi.co.uk). The conflict will be independently assessed and then recorded on ebi's conflicts of interest register.

The register is monitored on an ongoing basis by ebi's Compliance via the Compliance Monitoring Programme and is formally reviewed by ebi's Senior Management on no less than an annual basis, sooner if a conflict has been identified and further action is required.

ebi's Senior Management team consists of ebi's Chief Executive Officer, Chief Operating Officer, Head of Business Development and Head of Client Relations.

## Identifying a Conflict of Interest

A conflict of interest is any situation in which a person in a position of trust has competing professional or personal interests that may prevent them carrying out their duties impartially.

When identifying the types of conflict that arise, or may arise, we will assess whether our firm, anyone connected with our firm or (if relevant) another client has an interest in the outcome of a service provided to the client which is distinct from the client's interest in that outcome and has the potential to influence the outcome to the detriment of the client.

**As a minimum, we will consider whether our firm, anyone connected with our firm or another client:**

- Is likely to make a financial gain, or avoids a financial loss, at the expense of a client
- Has a financial or other incentive to favour the interest of another client or group of clients over the interests of a client
- Carries on the same business as a client
- Receives or will receive from a person other than a 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
- Is substantially involved in the management or development of policies where they have influence over pricing or distribution costs

**Conflicts of interest may therefore include but are not restricted to interests between:**

- Our firm and our clients
- Our staff and our clients
- Two or more different clients
- Third parties and our clients
- New services / products and our clients
- Strategic changes and our clients

We have sought to identify and prevent conflicts of interest that exist in our business and have put in place measures we consider appropriate to the relevant conflict in an effort to prevent, monitor, manage and control the potential impact of those conflicts on our clients.

## Employee Dealing

The nature of ebi's business means that there are unlikely to be scenarios in which staff may be able to use information obtained through their role in order to create a personal benefit at the expense of our clients.

ebi abide by our Personal account dealing policy which applies to everyone working at ebi and sets out the requirements and expectations when dealing in investments on a personal basis. The Personal account dealing policy is subject to regular review and approval.

## Gifts and Hospitality

ebi employees will not accept any gifts and or hospitality other than those considered normal in our line of business, in line with our Gifts & Hospitality policy. Lavish or excessive gifts are not permitted and staff are required to declare any gifts given or received above a certain value. Hospitality given or received is subject to strict rules regarding the nature of the hospitality, the location and nature of the venue and whether all aspects of the benefit are designed to enhance the quality of service provided to clients. Any exceptions to these rules are reviewed on an individual basis by ebi's Senior Management.

We maintain a register of all gifts and or hospitality, whether given or received, which is subject to Senior Manager oversight.

## Inducements

Given the nature of our business, we have relationships with many third parties such as product providers and advisory firms.

We have processes in place to ensure that any fees or non-monetary benefits provided by third parties do not impair our duty to act fairly and in the best interests of our clients.

To eliminate influence from our research, our investment analysts are prohibited from accepting inducements in return for favourable research.

## Remuneration

All staff are paid by basic salary with a discretionary annual bonus scheme. Pay and bonuses are linked to numerous factors and our Remuneration policy ensures that any incentives are consistent with the provision of fairness and do not create conflicts.

ebi provides qualifying members of staff with a workplace pension, meeting the minimum contribution requirements set out in the auto enrolment government initiative. ebi also offers qualifying staff the option of enrolling in private medical cover – benefit in kind.

## Research and Publications

Investment commentary can be found in various publications that we issue. There are unlikely to be any relationships or financial interest that may impair the objectivity of ebi's investment commentary, however where there are then we will disclose this within the publication.

ebi maintains independence from the fund management companies we invest with. When we write articles we provide our 'view' about investments and are not influenced by third parties. All publications are subject to sign-off by ebi's dedicated Sign-off team prior to their circulation.

## Policies and Procedures

We have adopted many policies and procedures throughout our business to manage potential conflicts of interests as well as ensuring client data and documentation remains safe and secure at all times. Our staff receive guidance and training on these policies and procedures and our Senior Management is responsible for ensuring that our systems, controls and procedures are robust and adequate to identify and manage any conflicts that may arise.

## Separate Functions

Where possible we will segregate the duties of staff to ensure a separation of tasks between specific administrative functions. We endeavour to ensure that related tasks are undertaken by different members of the team and receive the appropriate independent supervision and signoff.

Our investment approach is subject to independent oversight and governance, the arrangements of which are subject to regular review. All of our policies and procedures are written to ensure that conflicts and potential conflicts are mitigated or avoided and provide an effective way of preventing our clients' interests being unfairly affected.

## Disclosure

If there is no other way of managing a conflict, or where the measures in place do not sufficiently protect the client's interests, the conflict will be disclosed to allow the client to make an informed decision on whether to continue using our services given the situation concerned. ebi may decline to act for a client in cases where we believe the conflict of interest cannot be managed in any other way.