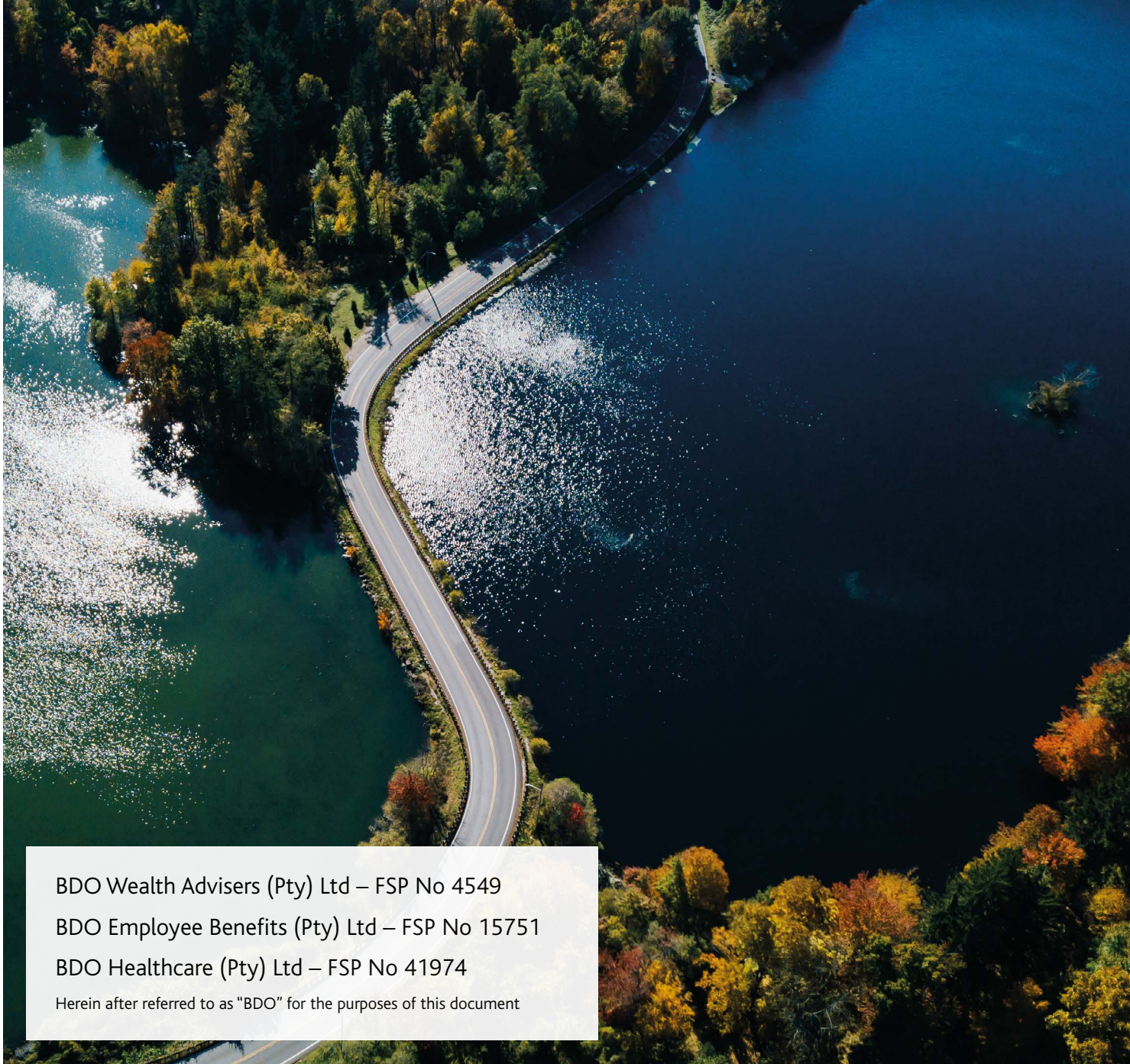




BDO WEALTH ADVISERS | BDO EMPLOYEE BENEFITS | BDO HEALTHCARE

CONFLICT OF INTEREST POLICY



BDO Wealth Advisers (Pty) Ltd – FSP No 4549

BDO Employee Benefits (Pty) Ltd – FSP No 15751

BDO Healthcare (Pty) Ltd – FSP No 41974

Herein after referred to as "BDO" for the purposes of this document

1. SCOPE

This policy applies to all employees or future employees and contractors of BDO.

Conflicts of interest referred to in this document may either be recognised (actually identified / realised) or be potential or perceived (conceivable) and most often arise because of an actual or possible financial interest.

2. PURPOSE

This purpose of this policy is to assist individuals with identifying potential and actual conflicts of interest and for BDO to manage it appropriately.

It provides clear guidelines and rules, and describes the procedures to be followed to ensure that conflict of interest situations do not cause BDO to act in contravention of the Financial Advisory and Intermediary Services Act ("FAIS") and General Code of Conduct which requires that a provider must at all times render financial services honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry.

3. POLICY

BDO is committed to avoiding and where this is not possible mitigating any conflict of interest that may arise between ourselves, as a financial services provider, and our clients when rendering a financial service.

Where such a conflict of interest cannot be avoided the situation will be explained to the affected client(s).

3.1 ALLOWABLE FINANCIAL INTERESTS

3.1.1 The following allowable financial interests have to be disclosed internally in the company's gift register:

- Promotional items (with a value of no more than R1000.00 per FAIS representative / key individual in any given year); and
- any other financial interest with a determinable monetary value not exceeding R1000.00 per FAIS representative / key individual in any given year.

3.1.2 The following allowable financial interests have to be disclosed internally in the company's conflicts of interest register and directly and unequivocally to affected clients:

- ownership interest;
- directorships in other companies; and
- rebates or fees received from product providers and which affects the fee payable by the client or which could potentially influence the advice process.

3.2 DISALLOWED FINANCIAL INTERESTS

The following financial interests are disallowed:

- Financial interest to a representative or to the provider for giving preference to a quantity of business to the exclusion of quality to the client, preference to a specific product supplier or preference to a specific product;
- cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship and any other incentive or valuable consideration not mentioned above, including travel and accommodation associated with allowed training;
- any financial interest other than allowable financial interests listed above with a determinable monetary value exceeding R1000.00 per FAIS representative / key individual in any given year; and
- training restricted to a selected group of providers and FAIS Representatives on including but not limited to: products and legalities thereof; general financial and industry information; specialised technological systems (of a third party) necessary for rendering a financial service.

4. PROCEDURE

4.1 MEASURES FOR AVOIDANCE OR MITIGATION OF CONFLICTS OF INTEREST AND CONTROL MEASURES

4.1.1 Reporting and record keeping

- i. Both a Gifts Register for allowable financial interests (Annexure A) and a Conflicts of Interest Register for Ownership interests, Directorships and Disallowed financial interests (Annexure B) have been implemented.
- ii. The Company's Management Team will act as the custodian of both the Conflicts of Interest register and the Gifts register.
- iii. Each Representative has a duty to report any such an immaterial financial interest provided or received to the custodian of the Gifts Register (within a week of giving / receiving such a gift) who shall report to the Managing Director of the Company as soon as the aggregate financial interest given or received by any one representative from that product provider or third party reaches R1 000.00 in that particular year.

4.1.2 Key Individual authorisation

- i. A financial interest with a monetary value of more than R1000.01 constitutes a material conflict, and will prior to giving, or accepting such a financial interest, the employee or Representative must obtain the written consent of the Managing Director of BDO for the gift. Such an instance must be recorded in the relevant Conflict of Interest register.

4.1.3 Annual Key Individual and Representative disclosure

- i. All the Key Individuals and Representatives will be required to also complete the 'Conflicts of Interest Questionnaire' as provided for in Annexure C of this policy.
- ii. The conflict of interest register will be updated and reviewed by the Key Individual(s).
- iii. If it has been established that a particular situation or activity gives rise to a conflict of interest, such a situation must be avoided.
- iv. If such a conflict of interest is inevitable it is the responsibility of the Managing Director to ensure that the effect if the conflict is mitigated by disclosing the conflict of interest to the relevant client(s).

4.1.4 Further reporting of conflicts of interest

All activities that resulted in conflict of interest situations must be reported to the company's compliance officer on a bi-annual basis.

5. RECORD KEEPING

Declarations and relevant registers will be stored securely for future reference.

6. CONSEQUENCES OF NON-ADHERENCE

Violation of this policy and procedures described herein will result in appropriate disciplinary action.

7. TRAINING AND AWARENESS

All staff will receive training on the Conflict of Interest policy and requirements.

8. APPROVAL AND REVIEW

This policy was approved by the Board of Directors during a meeting held on 15 April 2021, and will be reviewed as and when required.

9. ANNEXURES

- Annexure A1: Gifts Register: Gifts Received
- Annexure A2: Gifts Register: Gifts Given
- Annexure B: Conflicts of Interest Register
- Annexure C: Conflicts of Interest Questionnaires
- Annexure D: Group Structure

ANNEXURE A1: GIFTS REGISTER: GIFTS RECEIVED

Date	Value of the gift in ZAR	Name & surname of gift recipient	Name & surname of gift giver	Name of gift giver's Company <i>(incl. FSP No if applicable)</i>	Description of gift	Reason the gift is being given

ANNEXURE A2: GIFTS REGISTER: GIFTS GIVEN

Date	Value of the gift in ZAR	Name & surname of gift recipient	Name & surname of gift giver	Name of gift giver's Company <i>(incl. FSP No if applicable)</i>	Description of gift	Reason the gift is being given

ANNEXURE B: NOTED CONFLICTS OF INTERESTS

Date captured	Nature of the conflict	Will this conflict be avoided / mitigated	What measures will be taken to avoid / mitigate this conflict	What impact will this conflict have on clients	What impact will this conflict have on clients	Has the Managing Director approved this conflict?

ANNEXURE C1: CONFLICTS OF INTEREST QUESTIONNAIRE – KEY INDIVIDUALS

BDO requires each key individual of the business to annually:

1. Review the FSP's Conflicts of interest policy (the "Policy");
2. To disclose any possible personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict of interest in this Conflict of Interest Questionnaire; and
3. To acknowledge by his or her signature that he or she is acting in accordance with the letter and spirit of such Policy on the Pledge of Personal Commitment.

Please respond to the following questions to the best of your knowledge.

Please list all corporations, partnerships, associations or other organizations of which you are an officer, director, trustee, partner or employee and describe your affiliation with such entity.	
In terms of the FAIS Code of Conduct you must disclose to the client the existence of any personal interest in a relevant service, or of any circumstances which gives rise to actual or potential conflict of interest in relation to such service and take all reasonable steps to ensure the fair treatment of the client. Has this been implemented where applicable? Please comment.	
Non-cash incentives offered and/or other indirect consideration payable by another provider, a product supplier or any other person to the provider could be viewed as a potential conflict of interest. Please list any received in the last 12 months (can include incentive trips, sponsorships, gifts that amount to material benefits, business services, entertainment expenses, access of preferential, differentiated service/ training/advice facilities, shareholdings, sales quota obligations, product biases etc.)	
Where applicable, has the fact that the provider – directly or indirectly- holds more than 10% of the relevant product supplier's shares been disclosed to clients? Please comment.	
Has any equivalent substantial financial interest in the product supplier; during the preceding 12 month period exceeded 30% of the total remuneration, including commission, from the product supplier- COMMENT.	
Has the information above been disclosed on the disclosure documentation of the FSP? YES or NO	
Please list all corporations, partnerships, or other entities in which you and/or the FSP have a material financial interest as defined in the manual.	
Please list any proposed business dealings between product suppliers and you/the FSP, your family members, and/or entities. Describe each such relationship listed and the actual and potential financial benefits as you can best estimate them.	
Are you aware of any other relationships, arrangements, transactions, or matters which could create a conflict of interest or the appearance of conflict? If so, please describe.	

I have read BDO's conflicts of interest policy. I am currently, and agree to remain, in compliance with the Policy.

ANNEXURE C2: CONFLICTS OF INTEREST QUESTIONNAIRE – REPRESENTATIVES

BDO requires each Representative of the business to annually:

1. Review the FSP's Conflicts of interest policy (the "Policy");
2. To disclose any possible personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict of interest in this Conflict of Interest Questionnaire; and
3. To acknowledge by his or her signature that he or she is acting in accordance with the letter and spirit of such Policy on the Pledge of Personal Commitment;
4. Provide full details when answering "yes" to any of the below questions;
5. Provide full details of any other relationship/s not mentioned below that exist and should be mentioned.

Please respond to the following questions to the best of your knowledge.

Question	Yes, with full details	No
Do you, or any member of your family have any direct financial interest in any third party?		
Do you, or any member of your family have any direct financial interest in any service provider?		
Do you, or any member of your family have any direct financial interest in any supplier?		
Do you, or any member of your family have any direct financial interest in any Partner?		
Are any member of your family employed by any third party?		
Are any member of your family employed by any service provider?		
Are any member of your family employed by any supplier?		
Are any member of your family employed by any of the FSP's Partners?		
Do you have other employment?		
Are you, or any member of your family a director of any third party?		
Are you, or any member of your family a director of any service provider?		
Are you, or any member of your family a director of any supplier?		
Are you, or any member of your family a director of any Partner?		
Have you, or any member of your family received any financial interest from any third party within the past 12 months?		
Have you, or any member of your family a current debtor – creditor relationship with any third party?		
Have you, or any member of your family a current debtor – creditor relationship with any service provider?		
Have you, or any member of your family a current debtor – creditor relationship with any supplier?		
Have you, or any member of your family a current debtor – creditor relationship with any Partner?		
Do you have any relationship, including a financial one, with any member of management, any director/member, or other staff member of the company?		
Did you receive any gifts as described in the policy?		
Any other information you deem relevant?		

ANNEXURE D: GROUP STRUCTURE

