
Redington Ltd

Conflicts of Interest Policy Summary

CONFLICTS OF INTEREST

THE GUIDING PRINCIPLES

- The definition of a Conflict of Interest is any action that is likely to disadvantage a client's interest against that of Redington or to disadvantage one client's interest against that of another client. In other words, a conflict of interest is a situation in which someone in a position of trust has competing professional or personal interests. Such competing interests can make it difficult for individuals to fulfil their duties impartially.
- The FCA rules require that firms, in the first instance, have in place arrangements to manage conflicts. Where such arrangements are not sufficient to ensure with reasonable confidence that the risk of damage to clients' interests will be prevented, a firm is required to disclose a potential conflict to its client before undertaking business with that client.
- The FCA Principles that are particularly relevant to Conflicts of Interest are:
 - *Principle 1* – A firm must conduct its business with integrity;
 - *Principle 6* – A firm must pay due regard to the interests of its customers and treat them fairly; and
 - *Principle 8* – A firm must manage conflicts of interest, both between itself and its customers and between a customer and another client.

OBLIGATIONS IN RESPECT OF MANAGEMENT OF CONFLICTS OF INTEREST

- Redington will take all appropriate steps to identify conflicts of interest between:
 - itself, including its managers, employees and appointed representatives or tied agents or any person directly or indirectly linked to them by control, and a client of the firm, or
 - one client of the firm and another client that arise in the course of Redington providing services to its clients. Redington has a policy of applying the same standards for identification, prevention or managing, of conflicts across all of its business lines, irrespective of whether or not the particular business line is a regulated activity.
- Redington will maintain and operate effective organisational and administrative arrangements so as to ensure it takes all appropriate steps to prevent conflicts of interest from adversely affecting the interests of its clients.

CRITERIA FOR THE IDENTIFICATION OF ACTUAL OR POTENTIAL AREAS OF CONFLICT

- As required by the FCA Rules, in our process for the identification of conflicts, Redington considers whether the Redington or a person directly or indirectly linked by control to the firm:
 - is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
 - has an interest in the outcome of a service provided to a client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;

- has a financial or other incentive to favour the interest of one client or group of clients over the interests of another client;
- carries on the same business as the client; or
- 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.

MANAGEMENT OF CONFLICTS OF INTEREST

- In order to protect the interests of its clients, Redington has put in place the procedures and policies that are to be followed and the measures to be taken by the it, its employees, agents, etc., to manage such conflicts.
- The policies and procedures have been designed to ensure that Redington has taken all appropriate steps to protect the interests of its clients.
- *Identification of conflicts* is the first stage in safeguarding the position of the client. As soon as a member of staff becomes aware of any potential conflict of interest in the relationship between the firm and our clients or among clients themselves they will immediately report the conflict to line management and Compliance.
- *Mitigating conflicts of interest* is the second stage in safeguarding the position of the client.

In the event of a potential conflict of interest, the following processes may be undertaken:

- a) Information barriers will be used between the various business units in order to protect the interests of the client. This may include separate workflow processes, including separate teams and email distribution lists;
 - b) Secure work groups will be set up to ensure that only staff members appointed to the relevant teams have access to information and documents. In this way, sensitive information will only be shared between those members of staff who need to know that information in order to carry out their proper duties; and
 - c) Redington will in conjunction with the client discuss any further steps required to address potential conflicts of interest.
- Redington will decline to act in a matter where it considers that it cannot prevent a material risk of damage to the interests of one or more clients.
 - Redington will ensure that its compensation arrangements will not give rise to conflicts of interest between the firm, its employees and its clients. Redington will implement measures to prevent or limit Redington's directors and employees at all times any person from exercising inappropriate influence over the way in which Redington carries out investment or ancillary services or activities.
 - Redington will implement measures to prevent or control the simultaneous or sequential involvement of Redington's directors and employees in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.
 - Redington will ensure that all directors and employees receive training in respect of the Firm's procedures for identifying, managing and escalating conflicts. All Redington's directors and employees are made fully aware of the Redington's conflicts of interest policy and of their responsibilities to ensure that customers are treated fairly.

STEWARDSHIP CODE

- Stewardship is central to our responsible investing practices. We recognise that, as investment consultants, we have stewardship responsibilities to our clients, the industry and society at large. As an independent investment advisory firm that does not market its own investment products or carry out any direct investment activities, we believe that we are less exposed to those conflicts of interest that typically arise among traditional investment firms.
- Over 2020, no specific conflicts of interest relating to our stewardship work were identified. This covers the work we do for our clients, as well as the interactions we have with asset managers. However, this was based on our existing process for identifying conflicts of interests. Over 2021 we will assess review whether this process assessment remains appropriate given the increasing prominence afforded to stewardship by ourselves us and our clients.
- Redington will review this Conflicts of Interest Policy frequently, and at least annually.