Managing Conflicts of Interest Policy

Introduction

This policy sets out the steps taken to manage conflicts of interest that arise in the course of activities carried on in the Orbis Group and describes the requirements to identify, avoid, manage and disclose conflicts of interest. In dealing with potential and actual conflicts of interest Orbis directors, employees and consultants as well as all others who are Interested Persons within the meaning of the UCITS directive, are expected to act at all times with impartiality, transparency and integrity, in keeping with Orbis’ core values and in the best interests of our clients.

Conflicts of interest may arise:

- between an Orbis Group company and Orbis clients;
- between directors, employees or consultants to an Orbis Group Company in a personal capacity and Orbis clients; or
- between Orbis clients, when they have competing interests in respect of services provided to them by Orbis.

Conflicts may arise when an individual is faced with competing personal or financial interests or loyalties; to Orbis or its clients on one hand and on the other hand to themselves, family, friends or others to whom they owe a duty. Conflicts may also arise when third parties provide inducements which may seek to alter behaviour.

Policy

Identify

It is the responsibility of every director, employee and consultant to identify all actual and any material potential conflicts of interest before they occur. Compliance maintains a register of interests which records external to Orbis directorships and other fiduciary appointments and identified conflicting interests. Some conflicts of interest are easier to identify than others. If there is no monetary benefit to any party and there is no obvious cost from a course of action, then it may not seem to be a conflict. However, a conflict of interest may exist even if no unethical or improper act results from it. It is enough that the conflict may damage or adversely affect the interests of the other party. Moreover, to an observer or client there may be a perceived conflict, which can be as damaging as an actual conflict of interest by undermining the integrity and reputation of Orbis. If any individual is in any doubt whether a relationship or course of action might be an actual or potential conflict of interest, they are required to contact Compliance for guidance.
The Group level conflicts of interest log, developed and maintained by Compliance and posted on the conflicts of interest section of the Compliance and Risk intranet page, records the circumstances arising from the structure and operations of the Group which have been identified as triggering actual or material potential conflicts of interest.

Avoid

Directors, employees, consultants and Orbis must act in the best interests of our clients when avoiding conflicts of interest. An example of an action we might take is ensuring that individuals with personal interests that may conflict are not involved in relevant investment decisions.

Manage

It is impracticable to avoid every actual or potential conflict of interest.

Where Orbis determines that it is impractical to avoid an actual or potential conflict of interest, we will strive to mitigate it by managing the associated risks.

Orbis has developed a conflicts of interest management framework and internal policies that govern specific conflicts of interest such as personal account dealing, gifts and entertainment and trade order allocations.

Our Conflicts Committee is charged with: (1) reviewing our conflicts of interest control measures; and (2) serving as a forum to resolve conflicts which cannot be addressed by Compliance.

Disclose

When Directors, employees, consultants or Interested Persons become aware of a potential material and previously undisclosed conflict of interest, they must notify Compliance in all cases. Written confirmation of the accuracy of current disclosure is required at least annually from all those subject to this policy and quarterly for employees.

Where the potential conflict of interest is between the firm and the individual, or between clients, Compliance will determine the appropriate course of action to ensure any conflict is avoided, managed and/or when necessary, disclosed. Disclosure must be written, describe the conflict clearly, identify the residual risks remaining despite any mitigation efforts and be sufficiently detailed to enable clients to make informed decisions having regard to the disclosed conflict.
Additionally, where the potential conflict is between the firm and clients, compliance will assess the relevant facts and determine whether the resulting advice and directed action to avoid, manage and/or disclose, if any, will be reported to the Directors of the Orbis companies affected. Similarly, potential client to client conflicts should be referred to Compliance for evaluation.

Effective from January 2018.

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1 Generally SICAV directors, any director, partner or equivalent, or manager of a UCITS management company or its controlling entity, and other natural persons directly or indirectly linked to the management company by way of control or who are directly involved in the provision of portfolio management services to the management company