



# Conflicts of Interest Policy (Includes Map)

January 2023  
[redwheel.com](http://redwheel.com)

## Conflicts of Interest

<b>Version Control</b>				
<b>Version</b>	<b>Date:</b>	<b>Author:</b>	<b>Approved by:</b>	<b>Detail of Change</b>
v.1	May 2016	Compliance	Paul Larche	Creation
v.2	Dec 2017	Compliance	Paul Larche	Updated for MiFID2
v.3	Nov 2018	Compliance	Paul Larche	Annual review. Grammatical changes only
v.4	Dec 2018	Compliance	Kevin Tolan	Add to map: Affiliate trans
v.5	Jan 2021	Compliance	Huan Ke	Annual review. Added to Map. Reviewed by external Compliance consultants.
v.6	Jan 2022	Compliance	Huan Ke	Annual review. Updated as part of re-brand and addition of RWC's Guernsey domiciled entities.
v.7	April 2022	Compliance	Huan Ke	Inclusion of wording regarding personal relationships
v.8	Jan 2023	Compliance	Huan Ke	Annual Review. Amended to include reference to "Redwheel" within text. Reviewed by ACA Group

**Contents**

Contents ..... 3

1. Introduction ..... 4

2. Application ..... 4

3. General ..... 5

4. Training..... 7

5. Periodic Review ..... 7

6. Disclosure..... 7

7. Identifying and reporting ..... 8

8. Record keeping..... 8

## 1. Introduction

- 1.1. It is our policy to conduct all business in an honest and ethical manner. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.
- 1.2. Conflicts of interest can arise from the interaction between Redwheel, our affiliates, employees and clients. Where the interests of these stakeholders are different, it can create a conflict of interest.
- 1.3. We manage all conflicts of interest fairly, both between Redwheel and our clients, and between one client and another.
- 1.4. This policy forms part of the Compliance Manual. Staff should also refer to our Compliance Manual on matters related to Market Abuse, Personal Account Dealing, and Gifts and Entertainment where separate guidance is provided.
- 1.5. This policy sets out the principles and guidelines for identifying, managing, recording and, where relevant, disclosing existing or potential conflicts and protecting the interests of clients.
- 1.6. The compliance team maintains a Conflicts of Interest Map ("Map") which is our analysis of the different types of conflicts inherent to our business and the associated controls for each potential conflict. The compliance team also maintains a conflicts of interest register (the "Register") for one-off events that are not part of the Map.
- 1.7. The identification, management, mitigation and escalation of conflicts of interest is a continuous firm-wide process and is every staff member's responsibility.
- 1.8. Notification of potential and actual conflicts of interest is vital for regulatory, risk management, and reputational reasons. Staff should discuss potential conflicts with the compliance team in the first instance who will provide advice on how to manage the conflict.
- 1.9. It is your responsibility to ensure you raise any issues or concerns with the compliance team as soon as you become aware of them.

You are reminded that failure to adhere to this policy will be considered a breach and may lead to disciplinary action and in certain circumstances may form grounds for dismissal.

## 2. Application

- 2.1. Redwheel is a registered trademark of RWC Partners Limited. This document and the policies contained herein are applied to all staff who perform services to the following Redwheel entities (collectively referred to as "the Firm", "Redwheel" or "RWC"). It is reviewed and restated on an at least annual basis.
  - 2.1.a. RWC Partners Holdings Limited
  - 2.1.b. RWC Midco RWC Partners Limited
  - 2.1.c. RWC Partners Ltd
  - 2.1.d. RWC Asset Management LLP
  - 2.1.e. RWC Asset Advisors (US) LLC

## Conflicts of Interest

- 2.1.f. RWC Singapore (Pte) Ltd
- 2.2. For the remainder of this document, members of staff are referred to as “you”.
- 2.3. If you’re unsure how or if these obligations apply to you, please contact the Compliance team who can advise you accordingly (Compliance@Redwheel.com). It is ultimately your responsibility to seek further guidance or clarity regarding any potential conflict.
- 2.4. The processes and procedures we operate within Redwheel are designed to comply with its regulatory obligations.

### 3. General

- 3.1. Redwheel is required to establish, implement, and maintain an effective written Conflicts of Interest Policy (the “Policy”) that is appropriate to the size, nature, scale and complexity of its business. This Policy takes into account any circumstances of which we are, or should be aware, which may give rise to a conflict of interest from within the structure or business activities of all Redwheel entities.
- 3.2. Redwheel defines a “conflict of interest” as any business, activity, practice or situation that, if not appropriately managed, has the potential to place the interest of (i) one set of clients over another or (ii) the Firm or its staff, ahead of the Firm’s client(s). In this context, client can be read widely to include investors in funds as well. A potential conflict of interest includes those caused by the receipt of inducements from third parties or by Redwheel’s incentive structures; these are covered in the Inducements Policy and Remuneration Policy.
- 3.3. The nature of the financial services market is such that conflicts of interest can sometimes develop. Generally, a conflict of interest arises where the interests of the financial services company and its associates are different from its client or clients. For example, when we discharge our duty to one client it might create a conflict with another client.
- 3.4. Relevant factors to consider in identifying whether a conflict exists include:
  - 3.4.a. Whether the Firm or one of its staff is likely to make a financial gain or avoid a financial loss at the expense of a client;
  - 3.4.b. Whether the Firm or one of its staff has an interest (financial or otherwise) in the outcome of a service or transaction which is distinct from the client’s interest in that outcome;
  - 3.4.c. Where the Firm’s staff has an interest in using their employment for personal gain (financial or otherwise) for themselves or their associates;
  - 3.4.d. Whether the client and the Firm undertake the same business;
  - 3.4.e. Whether there is a financial or other incentive to favour one client or group.
  - 3.4.f. Whether the firm or one of its staff will receive from a third party an inducement in relation to a service provided to a client, in the form of monetary or non-monetary benefits or services.

## Conflicts of Interest

- 3.4.g. Whether an individual at the Firm is in a personal relationship with another individual at the firm. This includes both formal, family type relationships where colleagues are married or living together and less formal relationships which may include where colleagues are “seeing each other”.
- 3.4.h. Whether a candidate for a role is a relative of an existing employee or partner.
- 3.5. Where a personal relationship involves a reporting line, an approval process or where one has direct influence over the compensation or career progression of the other, they should disclose this to HR or their manager at their discretion, as soon as possible.
- 3.6. In the situation that a relative or partner of an employee are in the appointment process, approval must come from the Chief Executive Officer or (where appropriate) another member of Redwheel’s board of directors.
- 3.7. Where a conflict is identified, we organise our business activities in a manner which avoids such a conflict where possible or feasible.
- 3.8. Where conflicts are unavoidable, we take appropriate measures to mitigate and manage such conflicts in a manner that seeks to ensure that Redwheel, our staff and clients are not unfairly advantaged or disadvantaged. Such measures are described in 3.12.
- 3.9. Where a conflict is material or where the mitigating controls are insufficient, Redwheel will disclose this to its clients. Should disclosure be required, we will provide specific details regarding the nature of the conflict, including risks, so as to enable clients to take an informed decision.
- 3.10. We have carried out an analysis of the different types of conflicts inherent to its business and the associated controls for each potential conflict. These are recorded in the Conflicts Map. Compliance also maintains a Register for one-off events that are not part of the Map.
- 3.11. The Map discloses by business service or activity the circumstances in which conflicts may or do arise which are potentially damaging to one or more clients. It also identifies the mitigating procedures and controls the Firm has implemented in order to manage each conflict.
- 3.12. Redwheel uses a number of administrative and organisational arrangements to mitigate any actual or potential conflicts including:
  - 3.12.a. Information flow barriers to prevent or control the exchange of information between staff engaged in activities involving a risk of conflict of interest where the exchange of that information may harm the interests of one or more clients;
  - 3.12.b. Functional independence and separate supervision of relevant staff whose main functions involve carrying out activities or providing services for clients whose interests may conflict, or otherwise represent interests that may conflict;
  - 3.12.c. A review of remuneration arrangements in the Firm to ensure that they do not give rise to conflicts of interest in relation to the activities or services provided by the relevant staff;
  - 3.12.d. Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment activities;

## Conflicts of Interest

- 3.12.e. Measures to prevent or control simultaneous or sequential involvement of a relevant person in separate investment services where such involvement may impair the proper management of conflicts of interest.
  - 3.12.f. Policies covering gifts and entertainment, personal account dealing and outside business interests, whistleblowing, treating customers fairly, anti-bribery and corruption.
  - 3.12.g. Guidance is included in the Employee Staff Handbook which covers dealings with personal relationships between colleagues and employing relatives of existing employees and/or partners. If you should have any questions or want to discuss further please see a member of HR.
- 3.13. All staff are expected to exercise due care and diligence and report any potential or actual conflicts to the Compliance team in a timely manner; this can be done via MyCompliance Office or by emailing the team directly (Compliance@Redwheel.com)

## 4. Training

- 4.1. All Redwheel staff receive training on Conflicts of Interest upon joining the Firm. A refresher course is also provided on a periodic basis. Completion of such training in a timely manner is mandatory.

## 5. Periodic Review

- 5.1. On a periodic basis, senior management review the Map to help ensure it remains up to date and reflective of the business and regulatory environment over time. This includes reviewing and identifying potential conflicts of interest in the business and establishing appropriate administrative and organisational arrangements to manage those conflicts. This review covers actual and potential conflicts involving Redwheel on the one hand and, on the other hand, any of the following: (i) group entities; (ii) our staff and related or connected persons and (iii) any client. This review also covers potential or actual conflicts between clients.
- 5.2. The Map is presented to the RWC Partners Ltd board on at least an annual basis. The Policy is also reviewed and approved by the board on at least an annual basis.

## 6. Disclosure

- 6.1. Where there are material conflicts, or where we are not reasonably confident that the mitigating controls it has implemented will not adversely affect its client's interests, then Redwheel is required to disclose clearly before undertaking business with the client(s) the general nature and sources of conflicts of interests and the steps taken to mitigate those risks.
- 6.2. In the US, material conflicts are typically disclosed in client fund offering documents or segregated account agreements, as well as the relevant Firm's ADV Part 2 Brochure (where applicable).
- 6.3. In the UK, the FCA requires that disclosure:
  - 6.3.a. Is made in a durable medium such as offering documents, periodic reports, website, conflicts of interest policy summary statement;

## Conflicts of Interest

- 6.3.b. Clearly states that organisational and administrative arrangements established by Redwheel to prevent or manage a conflict is not sufficient to ensure, with reasonable confidence, that the risks of damage to the interest of the client will be prevented;
  - 6.3.c. Provides a specific description of the conflicts of interest which arise in the provision of Redwheel's business;
  - 6.3.d. Explains the risks to the client that arise as a result of the conflicts of interest; and
  - 6.3.e. Includes sufficient detail, taking into account the nature of the client, to enable the client to take an informed decision with respect to the service in the context of which the conflict arises.
  - 6.3.f. Where Redwheel is unable to ensure with reasonable confidence that risks of damage to the interests of a client will be prevented then the disclose of the conflict of interest must be undertaken as an action of last resort. An over-reliance on disclosure without consideration is not allowed.
- 6.4. If subsequent conflicts arise that require disclosure, the Compliance Team should be advised in the first instance to ensure appropriate language, dissemination, and records are maintained.

## 7. Identifying and reporting

- 7.1. All staff and business areas are responsible for identifying actual or potential conflicts of interest in the first instance. Steps to be taken include:
- 7.1.a. Assess and evaluate the risk posed by those conflicts of interest;
  - 7.1.b. Decide how to manage those conflicts (e.g. disclosure, managing and/or avoiding the conflict);
  - 7.1.c. Report the conflict to the Compliance team;
  - 7.1.d. Record the action taken;
  - 7.1.e. Monitor the conflict on an on-going basis if required;
- 7.2. If you require help with any of the above steps please contact the Compliance team (Compliance@Redwheel.com).

## 8. Record keeping

- 8.1. The Conflicts of Interest register is stored in MyCompliance Office (and associated records) of all pre-cleared conflicts under this Policy. Access to MyCompliance Office is provided via the Compliance page of the Firm's Intranet [here](#). Details of these conflicts may also be shared with the CEO, CCO, and RWC Partners Ltd board as and when needed.
- 8.2. Records are typically maintained in electronic form where possible and are retained for a minimum of 6 years (up to the end of the last fiscal year from when the event occurred).