

CONFLICT OF INTEREST MANAGEMENT POLICY

2026



POLICY REVIEW RECORD

Title	Conflict of Interest Management Policy
Version Number	2.1
Created By	Laura Breytenbach

Version	Reviewed By	Review Notes	Approval Date
1.0	Executive Directors	Approved	April 2020
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2.0	Audit, Risk and Compliance Committee	Approved as amended	July 2023
2.1	Audit, Risk and Compliance Committee	Approved as amended	March 2026



1. INTRODUCTION

1.1 This document embodies the Conflict-of-interest management policy for Sesfikile Capital (Pty) Ltd ("Sesfikile Capital").

1.2 The conflict-of-interest management policy applies to all employees of Sesfikile Capital.

1.3 **"Conflict of interest"** ("COI") means any situation in which Sesfikile Capital or its representatives has an actual or potential interest that may, in rendering a financial services to a client influence the objective performance of obligations to that client; or prevent Sesfikile Capital or its representatives from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including, but not limited to –

1.3.1 A financial interest;

1.3.2 An ownership interest;

1.3.3 Any relationship with a third party; **"third party"** meaning:

- a) a product supplier;
- b) another provider;
- c) an associate or a product supplier or a provider;
- d) a distribution channel; or
- e) any person who in terms of an agreement or arrangement with a person referred to in paragraph (a) to (d) above provides a financial interest to a provider or its representative.

1.4 Sesfikile Capital is committed to ensuring that all business is conducted in accordance with good business practice.

1.5 To this end Sesfikile Capital conducts business in an ethical and equitable manner, and in a way that safeguards the interests of all stakeholders to minimize and manage all real or potential COI.

1.6 Sesfikile Capital and its representatives must therefore avoid (or mitigate where avoidance is not possible) any COI between Sesfikile Capital and a client or its representatives and a client.

2. PURPOSE

The primary objectives of this policy include –

2.1 To provide guidance on the behaviours expected in accordance with Sesfikile Capital standards.

2.2 To promote transparency and to avoid business-related COI;



2.3 To ensure fairness in the interests of employees and Sesfikile Capital;

2.4 To document the process for the identification, mitigation, disclosure, approval and review of activities that may amount to actual, potential or perceived COI;

2.5 To provide a mechanism for the objective review of personal outside interests.

3. FINANCIAL INTEREST

3.1 Sesfikile Capital or its representatives may only receive or offer financial interest from or to a third party as determined by the Commissioner of the Financial Sector Conduct Authority (“the Commissioner”) from time to time, and as set out in Annexure A hereto.

3.2 **“Financial interest”** means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic and foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than –

3.2.1 an ownership interest;

3.2.2 training, that is not exclusively available to a selected group of providers or representatives on products and legal matters relating to those products; general financial and industry information; specialized technological systems of a third party necessary for the rendering of a financial service; but excluding travel and accommodation associated with that training.

3.3 Any financial interest received by an employee of Sesfikile Capital must within 3 Business Days days of that receipt be reported to the Head of Operations who will record it in the gift registry of Sesfikile Capital , attached hereto as Annexure B.

3.4 Sesfikile Capital may not offer any financial interest to its representatives–

3.4.1 That is determined with reference to the quantity of business secured for the provider without also giving due regard to the delivery of fair outcomes for clients; or

3.4.2 For giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client; or

3.4.3 For giving preference to a specific product of a product supplier, where a representative may recommend more than one product supplier to a client.



3.5 For purposes of paragraph 3.4, Sefikile Capital must be able to demonstrate that the determination of and entitlement to the financial interest takes into account measurable indicators relating to the –

3.5.1 Achievement of minimum service level standards in respect of clients;

3.5.2 Quality of the representative's compliance with this Act;

as agreed between Sefikile Capital and the representative, and that sufficient weight is attached to such indicators to materially mitigate the risk of the representative giving preference to the quantity of business secured for the provider over the fair treatment of clients.

4. POTENTIAL COI THAT COULD AFFECT SEFIKILE CAPITAL

The following situations are potential COI's that could affect Sefikile Capital:

4.1 Directorships or other employment;

4.2 interests in business enterprises or professional practices;

4.3 share ownership;

4.4 beneficial interests in trusts;

4.5 personal Account Trading;

4.6 professional associations or relationships with other organisations;

4.7 personal associations with other groups or organisations, or family relationships;

4.8 Front running;

4.9 Rebates;

4.10 Kickbacks; and

4.11 Commission

5. MEASURES TO AVOID COI

5.1 All personal account trading must be performed in adherence to the Sefikile Capital Personal Account Trading Policy. Personal Trading account approval documents are stored on the drive once they have been approved by Head of Operations, two Executive Directors as well as the Compliance Officer.



5.2 Any financial interest received by an employee of Sesfikile Capital must within 3 Business Days of that receipt be reported to the Head of Operations who will record it in the gift registry of Sesfikile Capital.

5.3 The registry will be reviewed by the board of Sesfikile Capital at least annually.

5.4 Before entering into any arrangement (e.g. business interest in a property related company, directorship or membership) each employee must notify their employer of the intention to engage with such activity and must seek written approval by the executive directors and or board of Sesfikile Capital.

5.5 The board will take reasonable steps to assess such activities to see if they conflict with any current or future activities of Sesfikile Capital.

6. DISCLOSURE OF COI

6.1 At the earliest reasonable opportunity, Sesfikile Capital and its representative must, in writing, disclose to a client any COI in respect of that client including –

6.1.1 Measures taken to avoid or mitigate the conflict;

6.1.2 Any ownership interest or financial interest that the provider or representative may be or become eligible for;

6.1.3 The nature of the relationship or arrangements with a third party that gives rise to a COI in sufficient detail to enable the client to understand the exact nature of the COI.

6.2 At the earliest reasonable opportunity, Sesfikile Capital and its representative must, in writing, inform a client of the Conflict-of-Interest Management Policy and how it may be accessed.

6.3 The latest version of the COI Policy will be available on the website at all times.

6.4 Notification of an actual or potential COI should be made to the person with responsibility for the issue or area in question, such as the relevant management team, supervisor, head of the department or key individual as well as the Head of Operations.



6.5 In accordance with an employee's obligation to act in the best interest of his or her employer and its clients, it is not permissible for employees to engage in conduct that would amount to a COI with Sesfikile Capital and its clients.

6.6 Employees that fail to disclose a potential or actual COI in accordance with this policy may be liable to disciplinary procedures as governed by relevant agreements.

7. MECHANISMS FOR IDENTIFYING COI

7.1 Annual review of all personal account dealings.

7.2 Annual review of the gift register.

7.3 Annual request for disclosure of the following:

7.3.1 interests in business enterprises or professional practices;

7.3.2 professional associations or relationships with other organizations;

7.3.3 personal associations with other groups or organizations, and

7.3.4 directorships or other employment.

8. MEASURES TO RESOLVE COI

8.1 Profits that arise from personal trades in conflict with client's monies will be allocated across existing client base.

8.2 Gifts in excess of those legally permitted will be returned to the giver thereof.

9. PROCESSES, PROCEDURES, AND INTERNAL CONTROLS TO FACILITATE COMPLIANCE WITH THE POLICY

9.1 Every employee must have access to a copy of this COI Management Policy.

9.2 If a potential COI arises, the transaction must first be discussed with management before entering into the transaction.



10. CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY BY EMPLOYEES AND REPRESENTATIVES

Non-compliance with this policy and the procedures described in it may amount to misconduct and employees may be subject to internal disciplinary action that may lead to dismissal.

11. LIST OF ALL SESFIKILE CAPITAL ASSOCIATES

N/A

12. NAMES OF ANY THIRD PARTIES IN WHICH SESFIKILE CAPITAL HOLDS AN OWNERSHIP INTEREST

N/A



1. Sesfikile Capital (Pty) Ltd or its representatives may only receive or offer the financial interests referred to herein if-
 - 1.1 Those financial interests are reasonably commensurate with the service being rendered, taking into account the nature of the service being rendered and the resources, skills and competencies reasonably required to perform it;
 - 1.2 The payment of those financial interests does not result in the provider or representative being remunerated more than once for the performance of a similar service;
 - 1.3 Any actual or potential COIs between the interests of the client and the interests of the person receiving the financial interests are effectively mitigated; and
 - 1.4 The payment of those financial interest does not impede the delivery of fair outcomes to the client.
2. Sesfikile Capital (Pty) Ltd or its representatives may only receive or offer financial interest from or to a third party as follows
 - 2.1 Commission authorised under the Long-term Insurance Act or Short-term Insurance Act;
 - 2.2 Commission authorised under the Medical Schemes Act;
 - 2.3 Fees authorised under the Long-term Insurance Act, the Short-term Insurance Act or the Medical Schemes Act;
 - 2.4 Fees for the rendering of a financial service in respect of which commission or fees referred to in paragraph (1.1), (1.2) or (1.3) is not paid, if
 - 2.4.1 The amount, frequency, payment method and recipient of those fees and details of the services that are to be provided by the provider or its representative in exchange for the fees are specifically agreed to by a client in writing; and
 - 2.4.2 those fees may be stopped at the discretion of that client.
 - 2.5 Fees or remuneration for the rendering of a service to a third party.
 - 2.6 Subject to any other law, an immaterial financial interest*; and



2.7 A financial interest, not referred to under sub-paragraph (1.1) to (1.6), for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid by that provider or representative at the time of receipt thereof.

2.8 For purposes of this document –

2.8.2 **“immaterial financial interest”** means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1 000 in any calendar year from the same third party in that calendar year received by –

2.8.1 a provider who is a sole proprietor; or

2.8.2 a representative for that representative’s direct benefit;

2.8.3 a provider, who for its benefit or that of some or all its representatives, aggregates the immaterial financial interest paid to its representatives.

2.9 With regards to retirement funds, the following types of gratification are automatically not permitted to be accepted, agreed, or offered to be accepted by a board member, principal officer, deputy principal officer, employee of a retirement fund, valuator, auditor, administrator, employee of an administrator or other officer or service provider to a retirement fund, from any other person connected in whatsoever manner to a service provider of a fund, or from any potential future service providers, in which such principal officer, deputy principal officer, employee of a retirement fund, valuator, auditor, administrator, employee of an administrator, or other officer or service provider to a retirement fund or other officer serves.

2.9.1 Any gratification which objectively viewed, creates a conflict of interest with their fiduciary duty toward the fund;

2.9.2 Token gift/s that exceed/s the annual limit set by the board in terms of the fund’s gift policy, which annual limit shall not be more than R500.00 per annum in aggregate from any one service provider;

2.9.3 Any gratification relating to local or international due diligences including, but not limited to, subsistence, travel or accommodation;



2.9.4 Any gratification relating to local or international entertainment or sporting events including ,but not limited to, subsistence, travel or accommodation; or

2.9.5 Conferencing costs or board of fund expenses.



ANNEXURE B – GIFT REGISTER

NAME OF KEY INDIVIDUAL / REPRESENTATIVE/E MPLOYEE	DATE ON WHICH GIFT WAS RECEIVED	SOURCE	TYPE OF GIFT	VALUE OF GIFT

Physical Address

2nd Floor, 18 The High Street
Melrose Arch, Johannesburg,
South Africa
2076

Postal Address

Suite 334, Private Bag X1
Melrose Arch, Johannesburg,
South Africa
2076

Contact details

T: +27 11 684 1200

E: sescap@sescap.co.za

F: +27 86 619 5265

w: sesfikilecapital.com

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