

CONFLICTS OF INTEREST

Identification of Conflicts

Senior Management (in conjunction with the business line manager) together with Legal and Compliance take responsibility for identifying and designing conflict management controls faced by SCB in its day to day business. The conflicts identified are set out below and will be reviewed periodically or updated when a new conflict is identified.

- Conflicts between Clients with competing interests
- Conflicts between the personal interests of SCB Personnel and the interests of its Clients
- Conflicts between the commercial interest of third parties used by SCB and its Clients

Conflict Avoidance

When a conflict is identified, SCB will seek to organise its business activities in a manner which avoids such a conflict, however, the avoidance of all conflicts is generally not feasible in a commercial environment.

Conflict Management

Where conflicts are unavoidable, SCB will take appropriate measures to mitigate and manage such conflicts in a manner that seeks to ensure that SCB or its Personnel are not advantaged, and that no Client is disadvantaged.

Conflict Disclosure

Where SCB is not reasonably confident that it is able to manage a particular conflict to adequately protect the interest of a Client, the general nature and/or sources of the conflict of interest will be clearly disclosed to the Client before undertaking any business.

Conflict Monitoring

SCB has implemented a number of procedures and controls to detect conflict situations as they arise, and Senior Management will maintain and update a Conflicts of Interest Register accordingly. Once conflicts have been identified, further procedures and controls monitor the effectiveness of the management arrangements of such conflicts.

In addition, SCB's compliance monitoring programme incorporates specific tests aimed at reviewing its performance in the management of conflicts that SCB has identified.

Education and Awareness

All Personnel receive a copy of SCB's Compliance Manual containing SCB's conflicts arrangements. In addition, all Personnel are required to give an undertaking of adherence to SCB's compliance procedures, including personal account dealing and receipt of gifts and inducements.