

Conflicts of interest policy

Conflicts of Interest Policy for Premier Miton Group plc and its subsidiaries from time to time, (together “Premier Miton”).

This document summarises the policies and procedures which Premier Miton has put in place in order to identify, prevent, monitor and manage conflicts of interest that exist, or may exist, between:

- Premier Miton and its clients, or
- one client and another; or
- Premier Miton and other members of the Premier Miton group of companies.

The boards of Premier Miton define, oversee and are accountable for the implementation of governance arrangements that ensure effective and prudent management, including taking all reasonable steps to prevent conflicts of interest adversely affecting the interests of its clients.

Premier Miton arranges its business to minimise the potential for any conflicts of interest arising between different clients or between Premier Miton and its clients. However, occasionally they do arise and when this happens, and when they cannot be prevented, Premier Miton manages the conflict to ensure that the clients’ interests are always put ahead of its own and that all groups of clients are treated fairly.

Identifying a conflict

To ensure that this happens, Premier Miton has established appropriate procedures to identify and to prevent or manage on an on-going basis any conflicts of interest that may arise. Rigorous controls and procedures are implemented with the aim of ensuring that the interests of the client are not compromised. These controls include an ‘Order Execution Policy’, a ‘Gifts, Entertainment and Benefits Policy’, a ‘Distributor Expenditure Policy’ and a ‘Personal Account Dealing Policy’. Premier Miton ensures Committee oversight of the controls surrounding the management of conflicts and regularly evaluates their effectiveness.

Examples of potential conflicts

Potential conflicts of interest may arise and are managed as follows:

- Conflict: A transaction is effected in units or shares of a connected investment trust, unit trust or open-ended investment company of which Premier Miton or an affiliated company is the manager or authorised corporate director.
- Resolution: All investments are assessed to ensure that by including them in a portfolio they will help to meet the objectives of the portfolio. If a client is invested in a Premier Miton fund, which invests in another Premier Miton fund, we will take steps to avoid double charging.
- Conflict: Premier Miton purchases units and shares in unit trusts and open-ended investment companies (OEICs) managed by other asset management firms for inclusion in some of the Premier Miton funds; where possible Premier Miton will purchase institutional share classes, however, where institutional share classes are not available, a rebate of the annual management charge may be negotiated on such external unit trusts and OEICs, in accordance with applicable FCA rules.
- Resolution: Rebates of the annual management charge received by Premier Miton are credited to the account of the relevant Premier Miton fund to which it applies, in compliance with applicable FCA rules. Premier Miton does not benefit directly from such rebates.
- Rebates of the annual management charge received on the SEI Platform for the Premier Portfolio Management Service are allocated directly to clients with tax wrapped accounts. Anything else is returned or donated to charity. Premier Miton does not benefit directly from such rebates.
- Conflict: A transaction is effected in securities or a Premier Miton managed fund for a client in respect of which an associate or employee of Premier Miton has traded previously or intends to trade on their own account, known as ‘personal account dealing’.



- Resolution: All directors and employees of Premier Miton are subject to the Premier Miton Personal Account Dealing Policy. This policy ensures that all dealing on behalf of client portfolios or Premier Miton funds takes precedence over personal account dealing and that no personal account dealing would be to the detriment of a client. The policy requires all members of staff to obtain prior approval from senior management and the Compliance Team before they are allowed to transact in a security which might have an impact on a Premier Miton fund or client portfolio.
- Conflict: Premier Miton might seek to allocate costs to a fund, which it should cover itself.
- Resolution: The types of costs which may be charged directly to a fund are outlined in the Prospectus and may include, among others, the annual management charge, depositary fee, transaction costs, investment research and custody fees. Whilst the fund's Depositary is responsible for ensuring that only allowable costs are allocated to the fund, Premier Miton will review and approve all fee invoices prior to payment and in doing so, will check to ensure they are reasonable and appropriate. To introduce a new fee or a material increase to an existing fee, Premier Miton would, following approval from the FCA, either seek investor approval or give reasonable notice to investors as required. Premier Miton actively seeks the view of the Depositary as to the appropriateness and fairness of costs to the funds prior to any changes or additions.
- Conflict: The possibility exists for an in-house analyst or investment manager to be influenced in their research findings or investment decisions by the offer of gifts or other inducements from a broker, company or other financial institution.
- Resolution: Premier Miton has an 'Anti-Bribery Policy', a 'Gifts, Entertainment and Benefits Policy' and a 'Distributor Expenditure Policy' which prohibits staff from accepting gifts, hospitality or other benefits which have the potential to cause a conflict of interest with Premier Miton's regulated business. Prior approval from a director and the Compliance Team is required before any benefit is accepted above a de-minimis level and for higher value items, two directors and the Compliance Team will be required to give approval. A register is kept by the Compliance Team.

Premier Miton does not conduct proprietary trading (trading on securities for its own account to make a profit) nor does it issue securities or provide corporate finance advice, all of which may lead to conflicts of interest with clients.

Occasionally Premier Miton does need to buy or sell stock into a correction account to correct an administrative error, such as purchasing too much stock on a client's behalf. Such dealing is infrequent and usually small in nature and is only conducted to the extent required to put the client in the position they should have been in, with any shortfall covered by Premier Miton.

Remuneration

Remuneration and incentive structures are designed with the aim not to create any inducement for a director or employee to act contrary to a client's interests. Remuneration including any discretionary bonus payments is overseen by the Premier Miton Remuneration Committee, and an annual disclosure is made in accordance with the rules of the FCA.

Monitoring of conflicts

The effectiveness of the above controls is routinely monitored by the Compliance Team. Any notable findings arising from the monitoring process will be reported to the regulated Boards of Premier Portfolio Managers, Premier Fund Managers, Miton Asset Management Ltd and Miton Trust Managers Limited where applicable. There is also Committee oversight of all reportable personal account dealing and reportable gifts, entertainment or benefits received or given by Premier Miton staff.

The aggregate amount of all gifts, entertainment or benefits offered to or received from the same firm in any one year will be monitored by reference to agreed limits.



Disclosure of conflicts

Situations may arise where Premier Miton's organisational and administrative arrangements to prevent or manage conflicts of interest are not sufficient to ensure that risk of damage to a client's interests will be prevented. Before undertaking business for the client in those circumstances, Premier Miton must disclose the general nature or sources of the conflict alongside steps to mitigate any associated risks. Premier Miton treats such disclosures as a measure of last resort to be used only where the organisational and administrative arrangements established by Premier Miton to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented. Premier Miton may also look to obtain the client's formal consent to proceed with a course of action, or decline to act in circumstances where there is the risk of adversely affecting the interests of any client.

Recordkeeping

Records of actual and potential conflicts, and the procedures in place to manage them, are regularly reviewed and kept on file.

Frequency of review

Premier Miton will assess and review this policy and its effectiveness on at least an annual basis. This will enable Premier Miton to identify and, where appropriate, make any improvements or enhancements and to address any deficiencies.

Should you require additional information on how Premier Miton manages conflicts, please contact us.

