



Pi Investment Managers

Conflict of Interest (COI) Management Policy

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1 INTRODUCTION

This policy outlines a suitable, effective and sustainable approach to the identification and management of conflicts of interest (“COI”).

The policy aims to comply with the best practice and statutory requirements as per the General Code of Conduct for Financial Services Providers and Representatives published in Board Notice 80 of 2003 as amended by Board Notice 58 of 2010 as well as other applicable requirements as set out in the Financial Advisory and Intermediary Services Act, 37 of 2002 (“FAIS”).

2 APPLICATION OF THE POLICY

2.1 This policy applies to Pi Investment Managers (Pty) Ltd (“Pi Invest”)’s management, and where applicable, all branches, business units and divisions of Pi Invest, and all employees.

3 PURPOSE OF THE POLICY

The purpose of this policy is:

- 3.1 to provide guidance on the behaviours expected in accordance with Pi Invest’s standards;
- 3.2 to promote transparency and to avoid or mitigate any business-related COI that may arise between Pi Invest, its clients, vendors and/or employees respectively;
- 3.3 to ensure fairness in the interests of employees and Pi Invest;
- 3.4 to document the process for the disclosure, approval and review of activities that may amount to actual, potential or perceived COI;
- 3.5 to provide a mechanism for the objective review of personal outside interests.

Pi Invest is committed to ensuring that all business is conducted in accordance with good business practice. To this end Pi Invest 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 conflict of interest. Pi Invest and its representative must therefore avoid (or mitigate where avoidance is not possible) any COI between Pi Invest and a client or its representative and a client.

4 DEFINITIONS

For purposes of this policy, the following words and/or phrases are defined herein:

4.1 **Associate** means:

4.1.1 in relation to a natural person:

- i. a person who is recognised in law or the tenets of religion as the spouse, life partner, or civil union partner of that person
- ii. a child of that person, including a stepchild, adopted child and a child born out of wedlock
- iii. a parent or stepparent of that person
- iv. a person in respect of which that person is recognised in law or appointed by a Court as the person legally responsible for managing the affairs of or meeting the daily care needs of the first mentioned person
- v. a person who is a spouse, life partner or civil union partner of a person referred to above
- vi. a person who is in a commercial partnership with that person

4.1.2 in relation to a juristic person:

- i. which is a company, means any subsidiary or holding company of that company, any other

subsidiary of that holding company and any other company of which that holding company is a subsidiary.

- ii. which is a close corporation registered under the Close Corporations Act, means any member thereof as defined in section 1 of that Act.
- iii. which is not a company or a closed corporation, means another juristic person which would have been a subsidiary or holding company of the first-mentioned juristic person:
- iv. had such first-mentioned juristic person been a company, or
- v. in the case where that other person, too, is not a company, had both the first-mentioned juristic person and that other person been a company.
- vi. means any person in accordance with whose directions or instructions the board of director of or, in the case where such juristic person is not a company, the governing body of such juristic person is accustomed to act.

4.1.3 in relation to any person:

- i. means any juristic person of which the board of directors or, in the case where such juristic person is not a company, of which the governing body is accustomed to act in accordance with the directions or instructions of the person first-mentioned in this paragraph.
- ii. includes any trust controlled or administered by that person.

4.2 **CIS Manager:** A manager registered with the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act (45 of 2002).

4.3 **Conflicts of Interest:** Conflicts of Interest are defined as any situation in which a Financial Service Provider or a Representative has an actual or potential interest that may, in rendering a financial service to a client:

4.3.1 Influence the objective performance of their obligations to that client; or

4.3.2 Prevent a provider or Representative from rendering an unbiased or fair financial service to that client, or from acting in the interest of that client, including but not limited to

- i. Financial Interests
- ii. Ownership interests,
- iii. or any relationship with a third party, which means
 - a) a product supplier,
 - b) another provider,
 - c) an associate of a product supplier or a provider;
 - d) a distribution channel;
 - e) any person who in terms of an agreement or arrangement with a person referred to in paragraphs (a) to (d) above provides a financial interest to a provider or its representatives.

4.4 **FAIS:** The Financial Advisory and Intermediary Services Act, 37 of 2002.

4.5 **Financial Interest:** Any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than:

4.5.1 an Ownership Interest;

4.5.2 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; specialised technological systems of a third party necessary for the rendering of a financial service, but excluding travel and accommodation associated with that training.

4.5.3 A recognised qualifying enterprise development contribution to a qualifying beneficiary by a provider that is a measured entity.

- 4.6 **Financial Services Provider:** Any person (including both natural and juristic persons) other than a Representative who furnishes advice or who furnishes advice and renders intermediary services. For the purposes of abbreviation, it can also be referred to as a “FSP”.
- 4.7 **General Code of Conduct:** The General Code of Conduct for Authorised Financial Services Providers and Representatives as published in Board Notice 80 of 2003.
- 4.8 **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:
 - 4.8.1 A provider who is a sole proprietor; or
 - 4.8.2 A representative for that representative’s direct benefit;
 - 4.8.3 A provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial Financial Interest paid to its representatives.
- 4.9 **Key Individual:** A person responsible for overseeing and managing the activities related to the rendering of any financial services on the part of appointed representatives.
- 4.10 **Ownership Interest:** any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or a proprietary interest held as an approved nominee on behalf of another person, and includes any dividend, profit share or similar benefit derived from that equity or ownership interest.
- 4.11 **Prime Investments:** Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd.
- 4.12 **Representative:** Duly appointed representative and/or representative under supervision, as defined by the Financial Advisory and Intermediary Services Act, who renders a financial service to a client on behalf of a licenced Financial Services Provider by means of an employment contract or mandate.
- 4.13 **Third Party:** a product supplier; another provider; an Associate of a product supplier or a provider; a distribution channel; any person who in terms of an agreement or arrangement with a person referred to above provides a Financial Interest to a provider or its representatives.

5 PROCEDURES

- 5.1 Pi Invest or its representatives may only receive or offer financial interest from or to a third party as determined by the Commissioner of Financial Services Providers from time to time, and as set out in [Annexure 1](#) hereto.
- 5.2 Pi Invest may not offer any financial interest to its representatives for giving preference to the quantity of business secured for the provider to the exclusion of the quality of the service rendered to clients; or giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client; or giving preference to a specific product of a product supplier, where a representative may recommend more than one product supplier to a client.

IDENTIFYING A CONFLICT OF INTEREST

- 5.3 Pi Invest strives towards ensuring they can appropriately and effectively identify and manage potential conflicts.
- 5.4 Pi Invest may manage potential conflicts through avoidance, establishing confidentiality barriers and by providing appropriate disclosure of the conflict to affected clients.
- 5.5 In determining whether there is or may be a Conflict of Interest to which the policy applies, Pi Invest will consider whether there is a material risk of damage to the client, taking into account whether Pi Invest, or an authorised Representative or employee: -
 - 5.5.1 Is likely to make financial gain, or avoid a financial loss, at the expense of the client;

- 5.5.2 Has an interest in the outcome of a service provided to the client, which is distinct from the client's interest in that outcome;
- 5.5.3 Has a financial or other incentive to favour the interest of another client, group of clients or any other third party over the interests of the client; and
- 5.5.4 Receives, or will receive, from a person other than the client, an inducement in relation to a service provided to the client in the form of monies, goods, or service, other than the legislated commission or reasonable fee for that service.
- 5.6 The primary responsibility for the identification of a Conflict-of-Interest rests with the Representatives and/or employees of Pi Invest. Throughout the process of rendering a financial service to a client, a Representative must apply his or her mind to whether there is:
 - 5.6.1 Any situation that exists that influences the objective performance of the Representatives' obligations to the client.
 - 5.6.2 Any situation that exists that prevents the Representative from rendering an unbiased and fair financial service to the client.
 - 5.6.3 Any situation that exists that prevents the Representative from acting in the best interest of the client.
 - 5.6.4 A situation caused as a result of an actual or potential relationship with a Third Party.
 - 5.6.5 A situation caused by an actual or potential financial or Ownership Interest.
- 5.7 In the event that any of the abovementioned situations exist, an actual or potential Conflict of Interest will have been identified.
- 5.8 Conflict of Interest declarations are signed by all relevant personnel on an annual basis. The purpose of collecting Conflict of Interest declarations is to assist Pi Invest and the Compliance Officer to identify actual or potential Conflicts of Interest.
- 5.9 All relevant personnel (Key Individuals and Representatives) are required to immediately disclose in writing to the Pi Invest Compliance Team, any actual or potential conflicts of interest as soon as they become aware of such situation.

RESOLVING COI OR POTENTIAL COI

- 5.10 Pi Invest Key Individuals, Representatives and employees should avoid engaging in activities which will result in a Conflict of Interest.
- 5.11 If a Pi Invest employee and/or Representative realise that there is a potential or actual Conflict of Interest, the employee and/or Representative must, timeously and fully disclose any such potential or actual existence of a conflict to Pi Invest by making a report to their immediate superior.
- 5.12 Should the immediate superior be related in any way to the suspected Conflict of Interest, the employee is to make the report directly to management. This will enable Pi Invest to decide whether or not to engage with the employee/transgressor in question.

POTENTIAL COI THAT COULD AFFECT PI INVEST

- 5.13 The following are potential COI that could affect Pi Invest:
 - Directorships or other employment;
 - Interests in business enterprises or professional practices;
 - Share ownership;
 - Beneficial interests in trusts;
 - Personal Account Trading;
 - Professional associations or relationships with other organizations;

- Personal associations with other groups or organizations, or family relationships;
- Front running;
- Rebates;
- Kickbacks; and
- Commission

MEASURES AIMED AT AVOIDING OR MITIGATING CONFLICT OF INTEREST

- 5.14 Pi Invest employees and Representatives who are faced by what is clearly a Conflict-of-Interest situation, must desist from continuing with any participation in such a situation or activity.
- 5.15 Should any employee and or Representative not be certain about an intended transaction of theirs being a possible transgression of this policy, the employee must approach Pi Invest's Compliance Team, who will evaluate the intended transaction and give guidance.
- 5.16 Specific monetary measures should be focused on the following:
- 5.16.1 Commissions authorised in terms of applicable legislation;
 - 5.16.2 Fees authorised in terms of applicable legislation, or fees or remuneration for services rendered to a third party (if those fees are reasonably commensurate to the service being rendered);
 - 5.16.3 Fees for the rendering of a service in respect of which commission or fees above is not paid, if those fees are specifically agreed to by a client in writing and may be stopped at discretion of the client;
 - 5.16.4 A limited immaterial Financial Interest as defined; and
 - 5.16.5 A Financial Interest for a consideration or fair value that is reasonably commensurate to the value of the Financial Interest that is paid by the provider or Representative at time of receipt thereof.

DISCLOSURE

- 5.17 Where there is no other way of managing a conflict, or where the current measures do not sufficiently protect clients' interests, the conflict must be disclosed to the affected client(s). This will allow affected clients to make an informed decision on whether to continue using the services of Pi Invest, given the current situation. In all cases, where appropriate and where determinable, the monetary value of non-cash inducements will also be disclosed to affected clients. Disclosure alone will not be enough and must be treated as an integral part of managing Conflicts of Interest. Pi Invest is therefore committed to ensure that clients are fully informed about actual or potential Conflicts of Interest in relation to the provision of financial services. In this regard, Pi Invest has adopted the following disclosure measures:
- 5.17.1 Pi Invest shall disclose to a client any Conflict of Interest in respect of that client.
 - 5.17.2 The disclosure shall be made in writing at the earliest reasonable opportunity.
 - 5.17.3 The disclosure may be communicated by way of appropriate electronic media.
 - 5.17.4 The disclosure shall include the nature of any relationship or arrangement with a Third Party that gives rise to a Conflict of Interest.
 - 5.17.5 The disclosure shall be made in sufficient detail to enable the client to understand the exact nature of the relationship or arrangement and the Conflict of Interest.
 - 5.17.6 The disclosure shall include the measures taken to avoid or mitigate the conflict.
 - 5.17.7 The disclosure shall include any Ownership Interest or Financial Interest, other than an immaterial Financial Interest, that Pi Invest or Representative may be or become eligible for
 - 5.17.8 The disclosure shall include a reference to the Conflict-of-Interest Management Policy and

how it may be accessed.

- 5.18 Pi Invest will publish the Conflict-of-Interest management policy in appropriate media and ensure that it is easily accessible for public inspection at all reasonable times.

6 AWARENESS AND MONITORING

- 6.1 Pi Invest will create awareness and knowledge of applicable stipulations as contained in the General Code of Conduct and other relevant legislation relating to Conflicts of Interest. Such awareness and knowledge shall be made available through training and educational material.
- 6.2 Pi Invest will ensure that this policy is understood and that all Conflict-of-Interest management measures will be adopted by the company's directors, Representatives and employees.
- 6.3 Pi Invest will conduct regular inspections on all commissions, remuneration, fees, and Financial Interests proposed or received in order to avoid non-compliance.
- 6.4 Pi Invest maintains a Gift Register. All gifts received from a third party with an estimated value of R1 000 or more will be recorded in Pi Invest's Gift Register. In cases where gifts are received by Pi Invest, such gifts are entered into a Gift Register as per Pi Invest's Conflict of Interest policy. A template of the Gift Register can be found in [Annexure 2](#).

7 COMPLIANCE WITH THIS POLICY

- 7.1 Every staff member must have a copy of the Conflicts of interest Management Policy. If a potential COI arises, the transaction must first be discussed with management before entering the transaction.
- 7.2 It is the responsibility of all employees and Representatives of Pi Invest to maintain the good name and standing of Pi Invest by conducting themselves professionally and in accordance with all rules, regulations and legislation which govern Pi Invest as a whole.
- 7.3 Compliance with all rules, regulations and legislation is the individual responsibility of each employee. Each employee and or Representative must accept personal responsibility for behaving correctly and in accordance with this policy. Likewise, each employee and Representative is obliged to stop or prevent any actions that are contrary to the content of this policy, and which could damage, or harm Pi Invest.

8 CONSEQUENCES OF NON-COMPLIANCE

- 8.1 Non-compliance with this policy will be subject to disciplinary procedures and necessary action will be taken against the offending employees and Representatives. This may result in the debarment and/or dismissal of the employees and Representatives.
- 8.2 Avoidance, limitation or circumvention of this policy through whatever means will also be seen as non-compliance.

9 OWNERSHIP AND ASSOCIATES

- 9.1 In order to ensure transparency, Pi Invest maintains and discloses:
- 9.1.1 a list of all its associates,
 - 9.1.2 a list of any third parties that hold an ownership interest in Pi Invest.
- 9.2 Pi Invest does not hold ownership interest in any third parties.
- 9.3 Information relating to the associates and ownership interests of Pi Invest are contained in Pi Invest's organogram, which can be made available upon request.



- i. Commission authorised under the Long-term Insurance Act or Short-term Insurance Act;
- ii. Commission authorised under the Medical Schemes Act;
- iii. Fees authorised under the Long-term Insurance Act, the Short-term Insurance Act or the Medical Schemes Act, if those fees are reasonably commensurate to a service being rendered;
- iv. Fees for the rendering of a financial service in respect of which commission or fees referred to in sub-paragraph (i), (ii) or (iii) is not paid, if those fees –
 - a) are specifically agreed to by a client in writing; and
 - b) may be stopped at the discretion of that client.
- v. fees or remuneration for the rendering of a service to a third party, which fees or remuneration are reasonably commensurate to the service being rendered;
- vi. subject to any other law, an immaterial financial interest; and
- vii. a financial interest, not referred to under sub-paragraph (i) to (vi), 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.

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ANNEXURE 3 – POLICY OWNERSHIP, REVIEW AND APPROVAL

POLICY OWNER

Pi Invest’s Compliance function is established as part of its risk management framework. This document is owned by Pi Invest Management who maintain the document through consultation with and the assistance of the Compliance Team. The ultimate responsibility for this document, the contents thereof and compliance remains with the Key Individuals, of Pi Invest who are responsible for creating an ethical environment.

POLICY REVIEW AND APPROVAL

Pi Invest’s COI policy shall be reviewed on an annual basis and updated if necessary. This policy is approved by Pi Invest’s Board of Directors.

Detailed below is a list of policy versions and the changes/amendments/additions made to the policy with each new version:

DATE	VERSION	CHANGES
Jan 2021	1.0	“COI” policy established.
Oct 2024	1.1	Format changes.
Mar 2025	1.2	Procedures expansion.
Aug 2025	1.3	Ownership and associates information added.