

# Conflicts of Interest Policy

## IM Asset Management Limited

### Version history

<b>Version no.</b>	<b>Updates</b>	<b>Date approved by</b>
20200131	Annual review and rebranding	January 2020 JL
20210209	Annual review	February 2021
20220215	Annual review	February 2022 AF
20221010	Annual review	October 2022 AF
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In order to adhere to IM Asset Management Limited's (IMAML) regulatory obligations and to ensure we demonstrate that we value all of our clients and are acting in all of their best interests we must ensure we do not act where there is a conflict of interest. When managing a potential conflict of interest the firm considers FCA rules and regulations notably:-

- Principle 8 *'A firm must manage conflicts of interest fairly, both between itself and its clients and between a client and another client'; and*
- Principle 12 *'A firm must act to deliver good outcomes to retail clients'*

The Conflicts of Interest Policy ("the Policy") sets out IMAML's approach to managing conflicts of interest and potential conflicts of interest that arise in the day to day operation of its business: retail investment advice, financial planning which includes insurance distribution activities, and discretionary investment management for retail clients. A conflict of interest is a situation in which someone in a position of trust has competing professional and/or personal interests. Such competing interests can make it difficult to fulfil their duties impartially. A conflict of interest may exist even if no unethical or improper act results from it.

IMAML is a subsidiary of Irwin Mitchell Holdings Limited (IMHL) and has a number of sister companies, including Irwin Mitchell LLP, a national law firm. These companies form the IM Group.

IMAML trades under the names of IM Asset Management Limited and is authorised and regulated by the Financial Conduct Authority.

As a UK FCA-authorized firm, IMAML is required to establish, implement, and maintain effective policies and procedures to mitigate any actual or potential conflicts of interest between itself and its client, between different clients and between its employees and its clients. IMAML must also ensure it manages any actual or potential conflicts that arise as a result of the structure and business activities of the wider IM Group. Where IMAML introduces a new product or service it pays due regard to any potential conflict that may arise and ensures that clients' interests are taken into account to avoid any foreseeable harm.

The purpose of this document is to provide clients with appropriate information in relation to the policies that IMAML has in place to manage conflicts of interest.

At all times, IMAML aims to treat its clients fairly. Where potential conflicts of interest are particularly complex or difficult to manage, IMAML will agree with the client(s) the best way to protect their interests and may ask for confirmation to proceed on this basis.

In considering whether a conflict of interest exists or may arise, IMAML will consider whether it:

- will or might make a financial gain / avoid a financial loss, at the expense of a client;
- has an interest in the outcome of a service or transaction which is distinct to that of the client;

- has a financial or other incentive to favour the interests of one client or group of clients over the interests of others.

IMAML will take appropriate steps to identify, manage and prevent conflicts of interests arising. Compliance maintains a register of conflicts of interest and a register of declared interests. All potential conflicts of interest are reported to Compliance as they are identified for consideration and added to the register if appropriate. This policy is reviewed by Compliance with a written report sent to the Board including details of specific conflicts of interests at least annually. Any new or evolving conflicts of interest identified are also reported to the Board.

The material conflicts within IMAML, and how they are managed, are described below.

Material Conflict	Procedure and Measures
Linkage of services	<p>IMAML offers its clients financial planning advice services and portfolio management. To manage any potential conflicts that may arise:-</p> <ul style="list-style-type: none"> <li>• the firm discloses to every potential client that it provides restricted financial advice where if a discretionary managed services is recommended the investment manager will be IMAML .</li> <li>• the firm discloses the costs and services offered at the beginning of every client relationship;</li> <li>• the firm considers each client’s needs and objectives on an individual basis and provides them with a personalised suitability report and regular ongoing reviews;</li> <li>• the firm has effective systems and controls to mitigate the risk of conflicts resulting in unsuitable outcomes for clients.</li> <li>• the firm undertakes regular quality assurance reviews to help identify, measure and mitigate any potential conflict.</li> </ul>
Personal Account (PA) Dealing	<p>A PA Dealing Policy is in place and employment terms and conditions require adherence to it. This policy covers the requirements for staff wishing to deal in reportable securities on their own account and the accompanying approval process. Detailed processes and procedures are in place in this regard and it is a disciplinary offence to fail to follow the PA Dealing Policy. Compliance monitors adherence to this policy and any exceptions are escalated. To manage the potential conflict of interest, client dealing always takes priority over employees’ PA dealing. All new employees are informed of this policy during their induction and are provided with a copy of the Policy. In addition, employees confirm awareness of the policy annually via the staff declaration and reminders are provided during the year.</p>

<p>Gifts &amp; Hospitality</p>	<p>A Gifts and Hospitality Policy is in place. The Gifts &amp; Hospitality Policy sets out IMAML’s approach to managing the potential conflicts of interest and the risk of bribery that may arise from the offer or receipt of gifts and hospitality to or from clients or potential clients and to or from providers and referrers. All employees are required to adhere to this policy and a log of gifts and hospitality, both offered and received, is maintained by Compliance. Any exceptions to the policy are escalated. All new employees are informed of this policy during their induction and are provided with a copy of the Policy. In addition, employees confirm awareness of the policy annually via the staff declaration and reminders are provided during the year.</p>
<p>Commission payments</p>	<p>IMAML does not receive initial or trail commission from retail investment product providers. Commission payments may be received for advice relating to protection products, by agreement with the client. This is closely monitored by Compliance to ensure there is no product provider bias and that IMAML’s high standards of suitable advice are met.</p>
<p>Appointment to the WS IM Investment Funds</p>	<p>IMAML is the appointed investment manager for WS IM Investment Funds, comprising the WS IM Balanced Portfolio Fund, and the WS IM Global Strategy Fund. For clients with investment portfolios which hold one or more of the above funds, IMAML’s portfolio management fee is waived in respect of these holdings, thus removing the potential conflict that could arise in recommending them. Fund performance is kept under review by the Investment Committee, but they are designed and managed with our client base in mind. Managing in-house funds allow regular dialogue between advisers and investment managers.</p>
<p>Remuneration</p>	<p>A Remuneration Policy is in place which sets our IMAML’s approach to remunerating employees, including in respect of variable remuneration or ‘bonuses’. Variable remuneration is awarded entirely on a discretionary basis and a number of factors are considered when making remuneration decisions and these are based on financial and non-financial measures such as compliance with the IMAML’s policies and procedures, training and quality of advice as well as business written. The Remuneration Committee is made up entirely of non-executive directors and is chaired by the Chairman of the IMAML Board of Directors.</p>
<p>Restricted Securities</p>	<p>A conflict could arise when trading in companies on which the IM Group may have inside information e.g. due to acting in merger and acquisitions cases. IMAML maintains a restricted securities list which is updated on a regular basis or when information is known. A “hard stop” is applied to these securities within the trading system and all Personal Account dealing is checked against the restricted list prior to authorisation.</p>

Board composition	Non-Executive members of IMAML’s Board may be shareholders or Directors of IMHL (IMAML parent company) – thereby creating potential conflicts between IM Group and IMAML. Such conflicts of interest are reported to the IMAML Board and registered on the conflicts of interest register held by the Company Secretary. Where decisions, or proposed transactions or arrangements are conflicted directors will take no part in the discussions or the decision making.
Order execution	A conflict of interest may arise between clients where clients are invested in different model portfolios managed by IMAML and having the same securities bought for them. IMAML’s Order Execution policy in place ensures client orders are executed in due turn and aggregated with similar orders where appropriate. This forms part of IMAML best execution monitoring. IMAML does not deal on a proprietary basis for its own account.
Investment Research	IMAML does not outsource its investment research as this is carried out in-house. Any investment decisions taken as part of its discretionary investment services and as Investment Fund Manager of the WS IM Investment Funds are clearly documented and are taken separately and distinctly from decisions on the choice of brokerage and execution services, as set out in the Order Execution Policy. IMAML does not receive any benefits or payments from other third party firms when carrying out its investment research or other related activities.
Portfolio Turnover	The firm charges its clients £15 per trade. There is a conflict that the firm can benefit from unnecessary buying and selling investments within the portfolio. The firm monitors its portfolio turnover and any exceptions or significant findings are investigated and escalated to the Risk Committee.
Phasing	Where a recommendation is made to phase a client’s investment into the market a conflict may arise because the firm benefits from revenue generated from a more frequent level of dealing than if the investment is made immediately. A client is fully informed of the advantages and disadvantages of phasing and the additional costs prior to making the investment. A cost benefit analysis of phasing is assessed by the IMAML Investment Committee to ensure this approach is in the client’s best interest.
Outside interests	A potential conflict may arise where an outside interest creates a potential conflict with employment within IMAML e.g. if an Adviser were also to be a Director of an IFA firm. Employees are required to report these conflicts and a register is maintained which is reportable to IMAML Board and Group. Employees confirm their awareness of the policy via annual staff declaration.

We will wherever possible, avoid conflicts of interest arising between ourselves and our customers or between one customer and another. Where a conflict of interest cannot be



avoided, we will manage the conflict and, where appropriate, we will make a disclosure to you and ask for your consent to proceed. In certain cases, we may decline to act for you or decline to carry out a transaction on your behalf.

Where current arrangements are unable to prevent or manage a conflict of interest arising (and hence a disclosure is made), IMAML's subsequent reviews and actions will aim to avoid repeated occurrences.

All colleagues receive training on conflicts of interest annually.