



Conflict of Interest Policy

Foxberry Ltd
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1 Introduction

1.1 Purpose

This Conflict of Interest Policy (the “**Policy**”) details how Foxberry Ltd (“**Foxberry**”, “**we**”, “**us**”, “**our**”) will identify and manage conflicts of interest in respect of its business activities.

Foxberry is authorised by the Financial Conduct Authority (the “**FCA**”) and, as such, will act in accordance to the conflicts of interest rules as defined in the FCA Handbook (the “**Handbook**”) and Regulation (EU) 2016/1011 (the “**BMR**”), which both will take precedence over the requirements of this Policy.

1.2 Review of this Policy

This Policy will be reviewed regularly, at least once a year, and amended as considered necessary by Foxberry’s management body (the “**Management Body**”) in the event of changes in the Handbook and/or the BMR as well as any other relevant regulation.

1.3 Responsibilities

The Compliance Officer (the “**CO**”) of Foxberry is responsible for ensuring that its systems, controls and procedures are able to identify, manage, prevent and/or mitigate and control any potential or actual conflicts of interest that may arise.

2 Systems, Controls & Procedures

2.1 Identifying conflicts

Foxberry regularly reviews its business model and we have identified that the following operations and activities may cause actual or potential conflict of interest:

- employee roles & responsibilities;
- management of employees;
- remuneration;
- business interests;
- connected persons;
- gifts & inducements;
- personal account dealing;
- provision of benchmarks;
- contributors;
- arranging; *and*
- advising

We will regularly review our operations and activities to ensure that any new potential conflicts of interest are noted and managed or prevented effectively.

2.2 Types of conflicts

A conflict of interest is a situation in which someone in a position of trust to the client has competing professional or personal interests. Such competing interests can make it difficult for individuals to fulfil their duties to their

clients impartially. A conflict of interest may exist even if no unethical or improper act results from it.

For the purposes of identifying the types of conflict of interest that arise, or may arise, in the course of providing a service to a client, Foxberry or its employees must take into account:

- if the service is likely make a financial gain or avoid a loss at the expense of the client;
- if Foxberry or any of our employees has an interest in the outcome of the service provided which is distinct from the client's interest;
- if Foxberry or any of our employees has a financial or other incentive to favour the interests of another client over the interests of the client;
- if Foxberry or any of our employees carry on the same business as the client; *and/or*
- if Foxberry or any of our employees receive, from a person other than the client, an inducement in relation to the service provided to the client, other than the standard commission or fee for that service.

2.3 Preventing, managing & mitigating conflicts

2.3.1 Employee roles & responsibilities

Foxberry maintains robust governance arrangements which include a clear organisational structure with well-defined, transparent and consistent roles and responsibilities within the Management Body in order to maintain an effective control environment and to avoid conflicts of interest in roles wherever possible.

2.3.2 Management of employees

If Foxberry is providing services to two or more clients and if such clients have different, potentially conflicting interests, we will, where appropriate:

- ensure that employees carrying out activities for such clients have different reporting lines; *and*
- segregate any sensitive data or other information that may give rise to conflict of interest for such clients.

Employees will receive training on understanding their obligations in this area.

2.3.3 Remuneration

The remuneration of staff will be assessed at least annually in accordance with Foxberry's appraisal process and usually consists of a base salary and a performance related variable compensation. Foxberry strives to ensure our employees remain motivated whilst at the same time ensuring that this remuneration scheme does not encourage inappropriate behaviour. In order to prevent a conflict of interest, the remuneration of employees is not linked to:

- sales unless good conduct and a high standard of compliance can be demonstrated; *and/or*
- the level of any benchmarks provided by Foxberry.

Foxberry maintains a Remuneration Policy (the "**Remuneration Policy**") and it will be adhered to at all times.

2.3.4 Business interests

Foxberry recognises that our current and future employees may have an interest, relationship or arrangement whereby they act as a trustee, hold power of attorney or have a directorship that may potentially create a conflict of interest. Foxberry requires its employees to declare any such interests and will take the appropriate steps to manage or prevent any conflicts of interest that are identified. To manage such conflicts, we require our employees to disclose directorships and interests in other companies and to disregard the interest, relationship or arrangement concerned when acting on behalf of clients.

2.3.5 Connected persons

Foxberry is aware of its duty to avoid a conflict of interest arising where an employee has an indirect interest through a connected person (e.g. and adult child or a spouse). Relevant employees are required to disclose any potential conflicts of interest through connected persons. To manage such conflicts we require that our employees to disclose such interests and to disregard the interest when acting on behalf of clients.

- Foxberry is not aware of any such conflicts at this time.

2.3.6 Gifts & inducements

Foxberry has a Gifts & Inducement Policy (the "**Gifts & Inducement Policy**"), which specifically prohibits employees from soliciting or accepting any inducements to conduct business in a specific manner that would give

rise to a detriment to a client or to favour the interests of one client over another.

Foxberry recognises that gifts and hospitality can lead to potential conflicts of interest. Employees are not permitted to accept, or give to, any person any gift or other benefit that cannot properly be regarded as justifiable in all circumstances or may give rise to the perception that in doing so, decisions may be influenced or may not be impartial. All employees are expected to act with the highest standards of integrity to avoid any allegations of conflict of interest.

Foxberry requires any employee who is offered any kind of gift or payment over an agreed limit to report this to the CO. The CO will record any such event in our Gifts & Inducements Register (the “**Gifts & Inducements Register**”). In addition, any indications of expectation of support following a gift or hospitality of any value should be reported to the CO.

The CO will regularly review the Gifts & Inducements Register to identify any conflicts of interest that may be occurring.

Foxberry’s Gifts & Inducement Policy contains further information and any specific value limits are determined by the Management Body.

2.3.7 Personal account dealing

Foxberry recognises that employees dealing on their own personal account may present conflict of interest.

In order to manage actual or potential conflicts that may arise from personal account dealing, Foxberry maintains a Personal Account Dealing Policy (the “**Personal Account Dealing Policy**”) and any personal account dealings must be pre-approved by the CO and logged in the Personal Account Dealing Register (the “**Personal Account Dealing Register**”).

2.3.8 Customer orders

Foxberry’s Best Execution Policy (the “**Best Execution Policy**”) requires employees to take all sufficient steps:

- to achieve the best overall trading result for clients;
- to exercise consistent standards; *and*
- to operate the same processes across all markets, clients and financial instruments in which it operates.

In order to ensure a fair and orderly dealing environment within the market, Foxberry requires its employees to comply with its Market Conduct Policy (the “**Market Conduct Policy**”) as well as the relevant FCA rules, which aim to prevent insider trading, the misuse of information and market manipulation.

2.3.9 Provision of benchmarks

Foxberry recognises that in its role as an index provider there may be scenarios which could result in conflict of interest. In order to protect the integrity and independence of benchmark determinations, Foxberry maintains rigorous policies, procedures and controls to ensure that all our benchmark provision activities are conducted with the highest integrity and complies with the BMR, including this document.

Foxberry has implemented a control framework for our benchmark provision activities. This control framework is documented summarised in the Benchmark Control Framework document (the “**Benchmark Control Framework**”). Foxberry has established an Index Committee (the “**Index Committee**”) to provide oversight of the index determination process and to be the governing function of Foxberry’s benchmark provision activities.

Increasing transparency and decreasing the risk of conflict of interest is very much at the core of our business model. Furthermore, Foxberry has the following restrictions in place regarding our activities:

- Foxberry does not issue or enter into index linked products;
- Foxberry does not market make or hedge transactions linked to an index; *and*
- Foxberry does not provide input data used as a pricing source for an index.

Lastly, Foxberry will publish or disclose all relevant existing or potential conflict of interest to (i) users of a benchmark; (ii) the relevant competent authority; *and, where relevant,* (iii) contributors, including conflicts of interest arising from the ownership or control of Foxberry.

2.3.10 Contributors

A contributor means a natural or legal person contributing input data who:

- contributes input data that is not readily available to the administrator; *and*
- provides the input data for the purpose of a benchmark determination.

Foxberry is aware of its obligation to ensure that contributors implement adequate oversight to manage conflicts in relation to input data received. For any benchmark or family of benchmarks which is based on input data from contributors, Foxberry will:

- implement a code of conduct specifying contributors’ responsibilities with respect to the contribution of input data;
- ensure that such code of conduct complies with the BMR; *and*

- require that the contributor has in place a robust remuneration policy in relation to submitters of input data.

Foxberry does not currently use contributors or supervised contributors in relation to input data. However, should this change in the future, relevant conflicts will be identified and managed.

2.3.11 Arranging

Foxberry is authorised and regulated by the FCA to carry out arranging activities. When carrying out certain arrangement activities, there may be potential conflict of interest.

When arranging an index linked investment that includes a benchmark administrated by Foxberry, we will always disclose that the relevant hedging counterparty of such a transaction may have an index license agreement with Foxberry and that a license fee may be paid to Foxberry under such agreement.

When arranging a transaction that includes a set of index linked investments and such a set includes benchmarks that are administrated by Foxberry as well as benchmarks administrated by third parties, Foxberry may be economically incentivised that the outcome of such an arrangement result in a larger allocation to a benchmark administrated by us (“**Commingled RFQ**”). To manage and mitigate such conflicts, Foxberry has put the following restrictions in place:

- In a Commingled RFQ, Foxberry will not rank different index linked investments following a Request for Quote (“**RFQ**”) process as defined in our Best Execution Policy;
- In a Commingled RFQ, Foxberry will not take customer orders for investments linked to our benchmarks unless Complete Client Instructions have been provided as detailed in our Best Execution Policy; *and*
- In a Commingled RFQ, Foxberry will disclose any potential conflict of interest to the client prior to conducting any arranging activity.

2.3.12 Advising

Foxberry is authorised and regulated by the FCA to carry out advising activities. When carrying out certain advising activities, there may be potential conflict of interest.

When advising on potential index linked investments, Foxberry may be economically incentivised that the result of such advice would lead to allocations into index linked investments referencing our benchmarks. To manage and mitigate such conflicts, Foxberry has put the following restrictions in place:

- Foxberry will not give advice on our own benchmarks; *and*
- Foxberry will disclose any potential conflict of interest to the client prior to giving any advice.

2.4 Record of conflicts

Foxberry maintains a Conflict of Interest Register (the “**Conflict of Interest Register**”) where all actual conflicts are logged and recorded. Each entry in the Conflict of Interest Register shall include:

- the type of conflict;
- the date of when the conflict was identified;
- a description of the conflict;
- how the conflict is managed, mitigated and controlled; *and*
- when the conflict was last reviewed by the Management Body.

Furthermore, Foxberry also maintains a Potential Conflict of Interest Register (the “**Potential Conflict of Interest Register**”) where identified potential conflicts relating to our benchmark provision activities are logged and recorded. Each entry in the Potential Conflict of Interest Register shall include:

- the type of conflict;
- the date of when the potential conflict was identified;
- a description of the potential conflict;
- how the potential conflict could be managed, mitigated and controlled; *and*
- when the potential conflict was last reviewed by the Management Body.

2.5 Disclosure of conflicts

Conflicts of interest that the Firm cannot manage or prevent will be logged on the Conflict of Interest Register and the Firm will either inform the client or decline to act for the client. The Conflict of Interest Register will be provided to the Management Body for review at least annually.

2.5.1 Disclosure

Apart from the disclosure requirements described in subsection 2.3.9, Foxberry will, as last resort, where there is no other means of managing the conflict or where the measures in place do not, in the view of Foxberry, sufficiently protect the interests of clients, the conflict of interest will be disclosed to clients, to enable an informed decision to be made by the clients as to whether they wish to continue doing business with Foxberry in that particular situation.

The disclosure will be in writing and will include:

- A statement that the arrangement in place by the Firm are not sufficient to ensure that the risk of damage to the interests of the client will be prevented;
- A description of the specific conflict of interest;
- An explanation of the risks to the client that arise as a result of the conflict of interest; *and*
- Sufficient detail to enable the client to make an informed decision as to whether to proceed or not.

2.5.2 Declining to act

Where Foxberry considers that it is not able to manage the conflict of interest in any other way, we may decline to act for a client.

2.6 Breaches

Any breaches of the conflict of interest rules or any actions that goes against this Policy shall be reported to the CO and be recorded in our Regulatory Breaches Register (the “**Regulatory Breaches Register**”). For all such events, Foxberry will act in accordance with our Regulatory Breaches Procedure (the “**Regulatory Breaches Procedure**”).

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