

ROOTSTOCK INVESTMENT MANAGEMENT PROPRIETARY LIMITED ("Rootstock")

CONFLICT OF INTEREST POLICY

1. INTRODUCTION

1.1 Rootstock Investment Management (Pty) Ltd is an authorised financial services provider, appointed by Sanlam Collective Investments (SCI) as the manager of the Rootstock SCI Worldwide Flexible Fund (the Fund). The portfolio is unitized as a collective investment scheme in securities as contemplated in terms of the Collective Investment Schemes Control Act. Rootstock is not registered to provide clients with advice and has no representatives.

1.2 In terms of the FAIS Act, Rootstock must have organisational and administrative procedures in place to identify, monitor, manage and disclose conflicts of interest.

2. OBJECTIVES

2.1 Rootstock is potentially exposed to conflicts of interest in relation to a number of activities. The protection of our clients' interests is our primary concern. This policy sets out how we:

- 2.1.1 Identify circumstances which may give rise to actual or potential conflicts of interest that could result in a material risk of damage to our clients' interests;
- 2.1.2 Establish appropriate structures and systems to manage and /or mitigate those conflicts;
- 2.1.3 Update and monitor those systems and procedures to prevent damage to our clients' interests and to ensure disclosure of any conflicts to our clients as soon as possible.

3. DEFINITIONS OF CONFLICT OF INTERESTS

3.1 Working definition

3.1.1 A conflict of interest is a situation where financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. In other words, where a person's decision risks being tainted by self-interest.

3.1.2 An apparent conflict of interest is one in which a reasonable person would think that the professional's judgment is likely to be compromised.

3.1.3 A potential conflict of interest involves a situation that may develop into an actual conflict of interest. Such a conflict of interest implies only the potential for bias, not the likelihood.

3.2 General Code of Conduct definition

“any situation in which a provider or a representative has an actual or potential interest that may, in rendering a financial service to a client,

- a) influence the objective performance of his, her or its obligations to that client; or
- b) prevent a provider or representative from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including, but not limited to –
 - i) a financial interest;
 - ii) an ownership interest;
 - iii) any relationship with a third party.”

4. APPROACH

4.1 In determining whether there is a potential or existing conflict, we believe that there is no substitute for sound judgment based on the particular facts involved in each case.

5. CONSIDERATIONS TO DETERMINE A POSSIBLE CONFLICT OF INTEREST

5.1 To ascertain if there is, or may be, a conflict of interest to which this policy applies, we consider whether there is a material risk of damage to the client, taking into account whether Rootstock or its directors, associates or employees or related parties:

5.1.1 are likely to make a financial gain, or avoid a financial loss, at the expense of the client / the Fund;

5.1.2 has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client / the Fund, which is distinct from the client's interest in that outcome;

5.1.3 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;

5.1.4 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 services, other than a reasonable fee for that service.

6. IDENTIFYING AND MANAGING CONFLICT OF INTEREST

At Rootstock the following areas have been identified and measures implemented to avoid conflicts of interest:

6.1 Fees

All fees payable by clients to Rootstock / the Fund must be reasonably appropriate to the service rendered and must be disclosed and agreed to in writing by the client.

6.2 Contractual Relationship and New Client Application Form

All Clients enter into a written agreement with Rootstock prior to investing any funds and this agreement forms the basis of the contractual relationship between Rootstock, the Client and SCI. All terms and conditions and fees are disclosed in this client application form.

6.3 Gifts and Similar Financial Interests

Any gifts (cash, cash equivalent, vouchers, services, advantage, benefit, discount, sponsorship or other incentives or valuable consideration) received from the same external third party / client or service provider exceeding R1, 000 in value in any calendar year, where the gift or benefit is as a result of the director or staff member's duties towards or relationship with Rootstock, are disclosed to the compliance officer upon receipt and recorded in a gift register. Any items of lesser value are regarded as an immaterial financial interest and do not have to be disclosed.

6.4 Outside Interests

The following must be disclosed and recorded in an Outside Interest, Ownership & Related Parties Register:

- 6.4.1 Directors' interests in any other businesses, even though it is unrelated to the business of Rootstock;
- 6.4.2 Any staff member / associate of a staff member having a material financial interest in, or serving as a director / officer / employee / trustee / custodian or consultant to an entity or individual that competes with Rootstock or its clients in the provision of services;
- 6.4.3 Any transaction between Rootstock and an entity in which a staff member or a director or a family member / associate of any of the aforementioned has a material financial interest, or, of which such a person is a director;
- 6.4.4 The names of all Rootstock's associates;

6.4.5 Third parties in which Rootstock holds an ownership interest and the nature and the extent of the ownership interest;

6.4.6 Third parties that hold an ownership interest in Rootstock and the nature and the extent of the ownership interest;

6.4.7 All related parties of directors and staff.

6.5 Confidentiality Barriers

Our directors and staff respect the confidentiality of client information and they have all signed confidentiality agreements to this effect. No confidential information may be disclosed to a third party without the written consent of a client. We promote an ethical approach at all times.

6.6 Procedures and Manuals

All procedures and policies are documented in writing and are subject to monitoring and review processes as set out in each policy and manual.

6.7 Monitoring and Compliance

The compliance officer regularly monitors, evaluates, reviews and reports to the Board on all policies and procedures. Yearly compliance reports are lodged with the FSCA. The compliance officer will also include a report on the conflict of interest management policy in the annual compliance report submitted to the FSCA.

6.8 Personal Account (PA) Trading

Our PA Trading manual sets out procedures for Rootstock directors and staff buying securities in their personal capacity or for any other entity in which they have an interest:

6.8.1 No trading in any of the shares in which the Fund has “live” orders are permitted;

6.8.2 There are approved brokers for private transactions;

- 6.8.3 All Rootstock staff must be informed per email of such an investment;
- 6.8.4 Any confusions relating to the regularity of an intended trade and the possibility of a breach of the PA trading policy is referred to the key responsible person for a final ruling;
- 6.8.5 A policy of co-investment in the Fund is encouraged.

6.9 Impartiality

All staff members and management are required to disclose to the Board their involvement or non-involvement with new clients / brokers / service providers / business partners as and when a conflict arises.

6.10 Corporate Opportunities

If a corporate opportunity comes to the attention of directors or staff as a result of their relationship to Rootstock, in a way that would permit its personal realisation and it is relevant to Rootstock's goals, the opportunity must first be disclosed to Rootstock.

6.11 Allocation of Brokerage

The schedule of approved brokers and target brokerage allocations is updated yearly. Biannual reports on the actual brokerage use are compiled by the internal fund administrator. If the report shows material deviations to the target brokerage allocations, written reasons are requested from the responsible person(s).

7. DISCLOSURE

7.1 Where there is no other way of managing a conflict, or where the measures in place do not sufficiently protect clients' interests, the conflict must be disclosed, at the earliest reasonable opportunity, to allow clients to make an informed decision on whether to continue using the service in the situation concerned. In all cases disclosure will be made on:

- 7.1.1 the measures taken to avoid or mitigate the conflict;
- 7.1.2 Any ownership interest or financial interest, other than an immaterial financial interest, that Rootstock may be or become eligible for;
- 7.1.3 the nature of any relationship or arrangement with a third party that gives rise to the conflict of interest, in sufficient detail to enable the client to understand the exact nature of the relationship or arrangement and the conflict of interest.

8. DECLINING TO ACT

- 8.1 Rootstock may decline to act for a client in cases where we believe the conflict of interest cannot be managed in any other way.

9. PARTICULAR MANAGEMENT MEASURES AND MECHANISMS TO IDENTIFY CONFLICT OF INTEREST FROM TIME TO TIME

- 9.1 Identification of Conflict of Interest:
 - 9.1.1 create awareness and knowledge of applicable stipulations of the General Code of Conduct and relevant legislation relating to conflict of interest, through training, educational material and monitoring;
 - 9.1.2 all employees are required to immediately notify the compliance officer of any conflicts they become aware of.
- 9.2 Avoidance of Conflict of Interest:
 - 9.2.1 ensure understanding and adoption of the conflict of interest policy and management measures by all directors and employees;
 - 9.2.2 set an ethical tone in the workplace and ensure that the fiduciary responsibilities toward all clients are adhered to;

- 9.2.3 all directors and staff to acknowledge in writing that they have reviewed a copy of this policy, understand the content and agrees to be bound by it;
- 9.2.4 do regular inspections on all remuneration, fees and financial interests proposed or received in order to avoid non-compliance;
- 9.2.5 keep a schedule of determined conflicts of interest and update it at least annually or as and when changes occur;
- 9.2.6 Review the conflict of interest policy at least annually and relay changes to all directors and staff.

10. PROCEDURES UPON IDENTIFICATION OF A CONFLICT OF INTEREST

- 10.1 A director or staff member must immediately upon identification of a conflict of interest, disclose to the key responsible person and the compliance officer all facts material to the identified conflict of interest.
- 10.2 The disclosure must be discussed at the next board meeting and be reflected in the minutes of the meeting.
- 10.3 A person who has a conflict of interest shall not participate in, nor be entitled to vote at or be permitted to attend the board meeting of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- 10.4 In the event of it not being entirely clear that a conflict of interest does exist, the person with the potential conflict shall disclose the circumstances to the key responsible person and the compliance officer, who shall determine jointly whether a conflict of interest exists in terms of this policy and thereafter refer it to the Board if in their opinion a conflict does exist.

11. MAINTENANCE OF RECORDS

11.1 Compliance maintains records of all conflicts of interest identified, the persons involved and the controls used and disclosures made.

12. NON-COMPLIANCE

12.1 Non-compliance with this policy will lead to disciplinary action, (which may include dismissal) against the director or staff member involved.

13. PUBLICATIONS

13.1 This policy is available on the Rootstock website and at our offices for public inspection at all reasonable times.

REGISTER OF CONFLICTS OF INTEREST

Areas of possible conflict	Processes and procedures to avoid and/or mitigate conflicts of interest	Measures to disclose conflicts of interest	Review
Fees	Full disclosure in client application form	Client application form Continuous monitoring	Yearly
Contractual relationship	Clients sign new client application form prior to investment	Client application form	Yearly
Gifts & financial interests	Gift and material financial interests disclosure	Gift Register	Yearly
Declaration of ownership, outside interests and related parties	Full disclosure Code of ethics	Outside interest, ownership and related parties register	Yearly
Confidentiality of clients	Confidentiality and non-disclosure agreements Code of ethics	Written advice to client prior to disclosure	Yearly
Procedures and manuals	Regular updating and review of procedures and manuals	Report to the Board Compliance report	Quarterly Yearly
Monitoring and compliance	Review by compliance officer	Written advise of breach to FSCA and CEO	Quarterly
PA Trading	PA Trading Policy Code of ethics Encourage co-investment by directors and staff	Monitored by Compliance Officer	Yearly
Impartiality	Full disclosure	Decline to act	Yearly
Corporate opportunities	Full disclosure to the Board	Written disclosure to clients Decline to act	Yearly
Allocation of brokerage	Specific brokers and target allocations set	Monitoring	Yearly

ROOTSTOCK OUTSIDE INTEREST, OWNERSHIP AND RELATED PARTIES REGISTER

Name of director	Name of other business	Description of interest
Francois Malan	Thibault S.A. SICAV – SIF	Director
Francois Malan	Rootstock Investment Management (Malta) Ltd	Director
Francois Malan	QQ Holdings Ltd	Director
Francois Malan	Kittle Rock Trade (Pty) Ltd	Director
Matthys du Toit	Attaq Ltd	Director
Matthys du Toit	ERF 81 Lynwood (Pty) Ltd	Director
Matthys du Toit	Rootstock Capital (Pty) Ltd	Director
Matthys du Toit	Rootstock Investment Management (Malta) Ltd	Director
Matthys du Toit	De Ouwe Dorp NPC	Director
Matthys du Toit	Caput (Pty) Ltd	Director
Matthys du Toit	Old Mutual Ltd	Director
Matthys du Toit	Old Mutual Group Holdings (SA) Ltd	Director
Matthys du Toit	QQ Holdings Ltd	Director
Matthys du Toit	Old Mutual Limited Broad-Based Black Economic Employment Employee Trust	Trustee
Matthys du Toit	Old Mutual Limited Employee Trust	Trustee
Matthys du Toit	OMSA Broad-Based Employee Share Trust Black Empowerment Employee Trust Old Mutual Insure Employee Trust	Trustee
Matthys du Toit	Old Mutual South Africa Share Trust	Trustee
Matthys du Toit	OMSA Management Incentive Share Trust	Trustee
Johan Barkhuysen	Anomaly Investment Management (Pty) Ltd	Director
Johan Barkhuysen	Anomaly Capital (Pty) Ltd	Director
Johan Barkhuysen	Rootstock General Partners (Pty) Ltd	Director

ROOTSTOCK OUTSIDE INTEREST, OWNERSHIP AND RELATED PARTIES REGISTER

Associate in relation to Rootstock means any subsidiary or holding company of Rootstock, any other subsidiary of that holding company and any other company of which that holding company is a subsidiary; and means any person in accordance with whose directions or instructions the Rootstock board of directors is accustomed to act.

Date	Name of Associate	Relationship
	Rootstock Capital (Pty) Ltd	Holdings of 75% of the shares in Rootstock

ROOTSTOCK OUTSIDE INTEREST, OWNERSHIP AND RELATED PARTIES REGISTER

Third Parties 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 Rootstock or its representatives.

Ownership interest in relation to Rootstock means: (a) any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or an proprietary interest held as an approved nominee on behalf of another person; and (b) includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

Date	Name	Nature of interest	Extent of interest

ROOTSTOCK OUTSIDE INTEREST, OWNERSHIP AND RELATED PARTIES REGISTER

Associate/related party in relation to a natural person, means(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 the spouse, life partner or civil union partner of a person referred to in subparagraphs (ii) to (iv);(vi) a person who is in a commercial partnership with that person;

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.

Date	Related Party	Relationship