

# **Singer Capital Markets**

# **Conflicts of Interest Policy**

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## 1. Overview

- 1.1** This is the Conflicts of Interest Policy (the "**COI Policy**" or the "**Policy**") for Singer Capital Markets Limited, Singer Capital Markets Securities Limited and Singer Capital Markets Advisory LLP and their respective subsidiaries (together, "**Singer Capital Markets**" or the "**Firm**"). Both Singer Capital Markets Securities Limited (Reference Number 453676) and Singer Capital Markets Advisory LLP (Reference Number 568323) are authorised and regulated by the UK Financial Conduct Authority. This Policy applies to all directors, employees (full-time, part-time and temporary), contractors and appointed representatives of the Firm ("**Staff**").
- 1.2** It is widely recognised that actual or potential conflicts of interest are inherent to financial services groups such as Singer Capital Markets. Under MiFID II and the corresponding FCA Handbook requirements, Singer Capital Markets is required to maintain and operate effective organisational and administrative arrangements with a view to taking all appropriate steps to identify, monitor, prevent and manage conflicts of interest.
- 1.3** This follows the FCA Principles set out in the FCA Handbook:
- Principle 1: "A firm must conduct its business with integrity";
  - Principle 6: "A firm must pay due regard to the interests of its customers and treat them fairly"; and
  - Principle 8: "A firm must manage conflicts of interests fairly, both between itself and its customers and between a customer and another client".
- 1.4** Singer Capital Markets conducts its business according to the principle that it will prevent or manage conflicts of interest fairly, both between itself and its clients and between one client and another. This Policy applies whenever Singer Capital Markets provides investment services to its clients (including retail clients, professional clients, eligible counterparties, and corporate clients). This Policy should be read in conjunction with the relevant agreement between the client and Singer Capital Markets. Singer Capital Markets is committed to maintain the highest ethical standards and complying fully with its regulatory and legal obligations.

## 2. What is a Conflict of Interest?

- 2.1** A conflict of interest is a set of circumstances which creates a risk that a decision, action or inaction may not be taken impartially and where this may damage the interests of a client. A conflict exists when Singer Capital Markets or any member of Staff stands to benefit to the disadvantage of a client or where a client stands to benefit to the disadvantage of another client. Clients may include existing or potential clients.
- 2.2** A conflict can be actual, potential or apparent:

- An **actual** conflict of interest exists where the scenario gives rise to a current risk of damage to the interests of a client.
- A **potential** conflict of interest exists where the scenario indicates a possible conflict may arise but at the present time, it has not developed into an actual conflict yet.
- An **apparent** conflict of interest exists where the perception of an outsider, with incomplete or inaccurate information, views Singer Capital Markets or its Staff as affected and subject to a conflict of interest.

### 3. Identifying Conflicts of Interest

**3.1** Singer Capital Markets is involved in a wide range of activities, including the provision of corporate advice (for example, corporate broking, corporate finance, equity capital markets, and investment banking services), sales and trading of financial instruments and the production of research.

**3.2** Types of actual or potential conflicts of interest that may arise in the course of the Firm's business could include:

- **Personal Conflicts:** where the interests of Staff conflict with the interests of Singer Capital Markets or its clients;
- **Conflicts between clients:** differing interests of two or more clients of Singer Capital Markets; and
- **Conflicts between the Firm and the client:** differing interests of Singer Capital Markets and the client's interests.

**3.3** The types of situations where Singer Capital Markets could potentially or actually face a conflict of interest include where the Firm or a member of Staff:

- make a financial gain or avoid a financial loss at the expense of a client
- have an interest in the outcome of a service provided to, or transaction carried out on behalf of, a client that is different from the client's interest in that outcome
- have a financial or other incentive to favour the interest of one client or group of clients over the interests of another client
- carry on the same business as the client; and/or
- receive 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 monetary or non-monetary benefits or services.

**3.4** As a result of Singer Capital Markets' business, the potential conflicts of interest identified include, but are not limited to:

- Singer Capital Markets may provide advice to a corporate client while also (i) acting for investors in that corporate client or (ii) providing ongoing or transactional advice to other corporate clients which operate in the same industry sector;

- Singer Capital Markets may deal for different investor clients acquiring or disposing of the same security, including in an agency capacity for which we may receive commissions from both clients;
- Singer Capital Markets may be in possession of confidential client information which, if inappropriately used or shared, whether internally or with another client, may damage the interests of the client to whom the information relates;
- Singer Capital Markets may provide research on a corporate entity to which it also provides corporate advisory services;
- Singer Capital Markets may hold own account interests in a company where we (i) also write and disseminate research to clients or (ii) execute client orders in that company, potentially dealing as principal, or (iii) provide corporate advice to the company;
- Singer Capital Markets employees may have personal interests that conflict with their duties or the interests of a client;
- Singer Capital Markets may have a regulatory obligation, for example, when acting as sponsor or nominated adviser or corporate adviser, which conflicts with the interests of its client;
- Singer Capital Markets may introduce clients to third parties and receive a fee or commission from those third parties relating to any such introductions.

**3.5** Staff must consider all services and activities carried out by Singer Capital Markets in order to identify any conflicts that may arise.

## **4. Prevention and Management of Conflicts**

**4.1** In general, Singer Capital Markets employs a number of techniques to manage and mitigate conflicts of interest on a firm-wide and individual basis. These include the following:

### **4.1.1 Policies, procedures and training**

Singer Capital Markets has various policies in place to ensure that Staff act appropriately with respect to conflicts of interest, including but not limited to an internal Compliance Manual, Counter Criminal Financing Policy and Personal Account Dealing Policy.

The Firm also provides internal guidance and training to relevant employees in the identification, prevention and management of conflicts, and how to deal with conflicts as they arise.

### **4.1.2 Information Barriers**

Information Barriers seek to prevent sensitive information from being passed between different business areas of the Firm. The Firm uses physical barriers to segregate the working spaces of employees with access to different information (e.g Investment Banking and Markets). It also includes technology barriers, whereby employees are not permitted to access

and/or share certain information with employees in certain other business areas. The Firm also utilises insider lists and wall crossing procedures.

#### **4.1.3 Individual Responsibility**

Singer Capital Markets' Staff have ultimate responsibility for identification of conflicts of interest. Through the controls in place and through training, the Firm ensures that employees are aware of the extent and nature of the risk that their activities or business area poses in terms of conflicts of interest and are made familiar with the processes that should be followed in the event of a potential conflict arising. In addition, Staff must not put themselves in a position in which their personal interests (financial or otherwise) may influence any action conducted on behalf of the Firm.

**4.2 Business Conflicts:** Some examples of business conflicts and how Singer Capital Markets manages these are provided below:

#### **4.2.1 Execution and order handling**

A conflict of interest may arise when Singer Capital Markets trades with a client using positions which it holds on its own book. To mitigate this risk, the Firm has in place an Order Execution Policy which, in accordance with MiFID II, requires Singer Capital Markets to take all sufficient steps to obtain, when executing orders, the best possible result for its clients taking into account certain execution factors. See the Order Execution Policy for further details on the best execution obligation.

#### **4.2.2 Underwriting and placing activities**

The arrangements which Singer Capital Markets has in place to manage conflicts that may arise when acting on behalf of a corporate client in regards to a fundraising are detailed in our Allocations Policy which is communicated separately to the relevant issuer as part of the fundraising. The Allocation Policy contains the approach used by Singer Capital Markets to find suitable investors for its clients, to allocate orders fairly and efficiently and to determine the price in relation to the fundraising being undertaken by a client, in order to avoid any conflicts of interest.

#### **4.2.3 Research**

Singer Capital Markets produces non-independent research which is classified as a marketing communication under the FCA Conduct of Business Rules and is not prepared in accordance with legal requirements designed to promote the independence of investment research. However, Singer Capital Markets has policies and procedures in place to identify and prevent or manage conflicts of interest which may arise in the production of research as set out in the Firm's Research Procedures Manual. In addition, all conflicts are disclosed in line with MAR requirements through the Research Disclosures and MAR Notification mediums.

#### **4.2.4 Remuneration**

Singer Capital Markets has a Remuneration Policy which sets out appropriate governance and is designed in such a way to ensure that the Firm's employees are not incentivised to engage in poor practice or favour their own or the Firm's interests to the potential detriment of clients.

#### **4.2.5 Inducements**

An inducement could create a conflict of interest where the payment or receipt of the inducement would hinder the Firm's obligations to act in the client's best interest. Singer Capital Markets does not pay or receive any fee or commission or non-monetary benefit in relation to the provision of a service to a client, unless such payment or benefit falls within a category of acceptable inducement.

**4.3 Personal Conflicts:** Some examples of personal conflicts and how Singer Capital Markets manages these are provided below:

##### **4.3.1 Personal Account Dealing**

Personal account dealing refers to the personal share trading activities by a Firm employee, or a person connected to a Firm employee (for example family and business associates). Singer Capital Markets has a Personal Account Dealing Policy that prevents employees from engaging in certain activities in order to avoid actual or potential conflicts of interest. The Account Dealing Policy requires employees to (i) disclose any existing trading accounts and obtain pre-approval for new trades they wish to place; and (ii) only engage in personal account trading in a manner that is in compliance with all applicable laws and regulations, and which avoids conflicts of interests.

##### **4.3.2 Gifts and Entertainment**

A conflict of interest may arise where a Firm employee receives or offers a gift or entertainment that constitutes an improper incentive for an employee and may induce them to act in a way that may not be ethical or in the best interests of the client. Employees must follow the gifts and entertainment procedures set out in the Firm's Gifts & Entertainment Policy at all times, and obtain approval for gifts or entertainment that exceeds a certain value prior to receipt.

##### **4.3.3 Outside Business Interests**

A conflict of interest may arise in respect of outside business interests. The Firm requires employees to disclose and obtain pre-approval from the Compliance department before accepting or participating in outside business interests and employment, which includes accepting an external directorship, part-time work or consultancy, acting as a trustee or having a partnership interest.

## **5. Disclosure and Declining to Act**

**5.1** Where Singer Capital Markets does not consider that the organisational and administrative arrangements established by Singer Capital Markets are sufficient to manage a conflict, Singer

Capital Markets shall elect to disclose specific conflicts to clients before undertaking any business, and to ask for their informed consent to act, notwithstanding the existence of any such conflict. Disclosure will be made of the general nature and/or sources of the conflict, as well as steps Singer Capital Markets has taken to mitigate the risks posed to the client by the conflict, to enable the client to make an informed decision.

- 5.2** The FCA rules require that such disclosure is a measure of last resort only and prevention or management of the conflict is the primary objective.
- 5.3** However, Singer Capital Markets will decline to act if arrangements are not sufficient to ensure with reasonable confidence that a material risk of damage to the interests of a client can be avoided.

## **6. Responsibilities and Governance**

- 6.1** All Staff are responsible for:
- ensuring that they are aware of all actual and potential conflicts which have been identified as relevant for their business area;
  - identifying and reporting any new actual or potential conflict of interest which they become aware of; and
  - reporting any actual or potential conflict of interest to Compliance where there is a belief that one or more conflict is not being managed or prevented appropriately.
- 6.2** Business-specific procedures are in place to address the identification, prevention, and management of actual and potential conflicts of interest that may arise in the course of the Firm's business. In addition, the Firm's Compliance department assists in the identification, prevention, and monitoring of actual and potential conflicts of interest and, where appropriate, will consult with relevant senior management, the Company Risk Committee and ultimately the Board of Directors as appropriate regarding the management of conflicts of interest.
- 6.3** The Chief Compliance Officer is responsible for ownership and review of this Policy on at least an annual basis.



**Singer**  
Capital Markets

## **Head office**

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