onequity

Conflict of Interest Policy

NOVEMBER 2025

OnEquity (PTY) Ltd
FSCA License
No. 53187

1. Purpose and Scope

1.1. The purpose of this Conflicts of Interest Policy is to outline a suitable approach and response to the identification and management of conflicts of interest for OnEquity SA (PTY) Ltd, an authorized Financial Services Provider governed by the Financial Advisory and Intermediary Services Act.

2. Definitions

2.1. Conflicts of Interest: Any circumstance described in Explaining Conflicts of interest below.

2.2. FSP or Name of Company: OnEquity SA (PTY) Ltd is a Financial Services Provider authorized in terms of the Financial Advisory and Intermediary Services Act 2002.

2.3. Responsible Person: A key individual, representative, or employee of a Product Supplier or FSP.

2.4. Financial Interest: A financial interest includes cash, cash equivalent, voucher, gift, services, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, or other incentive, or valuable consideration other than a) an ownership interest b) training by a product supplier on products, general industry information, and technical systems, that is not exclusively available to a selected group of providers or representatives except for travel and accommodation associated with that training.

2.5. Ownership Interest: a) an equity ownership interest, for which fair value was paid by the owner, other than equity or ownership interest held by 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.

2.6. Immaterial Financial Interest: Any financial interest with a determinable monetary value, the aggregate of which does not exceed R1000 in any calendar year from the same third party in that calendar year received by a) a provider, who is a sole proprietor; or b) a representative for that representative's direct benefit c) a provider, who for its benefit or that or some or all of its representatives, aggregates the immaterial financial interest paid to its representatives.

2.7. Third Party: a) a product supplier b) another FSP c) an associate of a product supplier or an FSP d) a distribution channel e) any person who in terms of an agreement or

Risk Disclosure: Trading in financial instruments involves substantial risk and may not be suitable for all investors. The value of investments is volatile and can result in total loss of capital. Investors should consider their financial situation, investment experience, and risk tolerance, and may seek professional advice. Past performance is not indicative of future results.

arrangement with a person referred to in paragraphs (a) to (d) above provides a financial interest to a provider or its representatives.

2.8. Distribution channel: a) any arrangement between a product supplier or any of its associates and one or more providers or any of its associates in terms of which arrangement, any support or service is provided to the provider or providers in rendering a financial service to a client; b) any arrangement between two or more providers or any of their associates, which arrangement facilitates, supports, or enhances a relationship between the provider or providers and a product supplier; c) any arrangement between two or more product suppliers or any of their associates, which arrangement facilitates, supports, or enhances a relationship between a provider or providers and a product supplier.

2.9. Associate:

2.9.1. In relation to a natural:

a) A person who is recognized in law or the tenets of religion as the spouse, life partner, or civil union partner of that person.
b) A child of that person, including a stepchild, adopted child, and a child born out of wedlock.
c) A parent or stepparent of that person.
d) A person in respect of which that person is recognized 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.
e) A person who is the permanent life partner or spouse or civil union partner of a person referred to in subparagraphs (b) to (d).
f) A person who is in a commercial partnership with that person.

2.9.2. In relation to a juristic person:

a) 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 which is a close corporation registered under the Close Corporations Act, 1984 (Act No. 69 of 1984), means any member thereof as defined in section 1 of that Act.
b) Which is not a company or a close corporation as referred to in subparagraphs (1) or (2), means another juristic person which would have been a subsidiary or holding company of the first-mentioned juristic person had such first-mentioned juristic person been a company; or in the case where that other juristic person, too, is not a company, had both the first-mentioned juristic person and that other juristic

person been a company; means any person in accordance with whose directions or instructions the board of directors of or, in the case where such juristic person is not a company, the governing body of such juristic person is accustomed to act.

2.9.3. In relation to any person:

a) 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.
b) Includes any trust controlled or administered by that person.

2.10. Explaining Conflicts of Interest:

A "conflict of interest" involves the actual, apparent, or potential abuse of the trust that people have in professionals. The simplest working definition states: A conflict of interest is a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional's judgment is likely to be compromised. A potential conflict of interest involves a situation that may develop into an actual conflict of interest. It is important to note that a conflict of interest exists whether or not decisions are affected by a personal interest. A conflict of interest implies only the potential for bias, not the likelihood.
Conflicts of interest in terms of the FAIS Act can be described as circumstances where some or all of the interests of clients to whom a financial services provider or product supplier provides financial services or products are inconsistent with or diverge from some or all of the interests of the FSP, its representatives, or the product supplier.
It should be understood that the conflicting interest referred to throughout this policy may be direct or indirect (the interest might be that of the Responsible Person, that of another person such as a relative or friend of the Responsible Person, or that of an organization in which the Responsible Person or such other person has an interest).
It is not possible to list all situations which could constitute a conflict. The facts of each situation will determine whether the interest in question is such as to bring it within the area of potential conflict.

3. Procedures for Management of Conflicts of Interest Identification:

At OnEquity SA, we prioritize ethical conduct and diligently identify all relevant conflicts of interest. Our approach involves:

Register of Conflicts: We maintain a comprehensive register of identified conflicts in

collaboration with the board. This register is regularly updated to reflect new conflicts and is annually reviewed for completeness. It not only identifies conflicts but also assesses their severity and outlines controls to mitigate them effectively.

Employee Vigilance: Every team member, including compliance officers and management, is responsible for identifying potential conflicts. Upon identification, employees are required to notify their business unit manager or compliance officer. The conflict is then escalated to the compliance officer for further assessment and management in conjunction with the board.

3.1. Managing Conflicts of Interest:

Upon identification, conflicts undergo meticulous assessment by our compliance and management teams. This evaluation considers whether the conflict is actual or perceived, its value and exposure, and potential reputational risks.
If a conflict can be mitigated, our compliance and management teams collaborate to establish appropriate controls. These controls are meticulously documented in our Conflicts of Interest Register to ensure effective management.

3.2. Specific Confirmations:

OnEquity SA reaffirms its commitment to ethical conduct through the following:

a) We accept financial interest from third parties strictly in the form of fees for services rendered, provided these fees are explicitly agreed upon by the client or are commensurate with the service provided.
b) We do not offer financial interest to Responsible Persons for favouring quantity of business over service quality, endorsing specific product suppliers, or promoting particular products over others.

4. Mitigating Controls for Conflicts of Interest:

4.1. At OnEquity SA, we implement robust internal policies and controls to effectively manage and mitigate potential conflicts of interest. Our measures include:

a) Disclosure to Clients Providers or Representatives are required to promptly disclose any conflicts of interest to clients in writing. This disclosure encompasses the measures taken to avoid or mitigate the conflict, any ownership or financial interests involved, and details of relationships with third parties giving rise to the conflict.
b) Policy Awareness: Clients are informed about our conflicts of interest management

policy and provided with access to it.

4.2. Registers for Transparency:

a) Associates Register: A register of associates, as defined in our policy, is maintained.
b) Conflicts of Interest Register: This register, open for viewing upon request, outlines all identified conflicts and the corresponding mitigation controls. It is regularly updated and annually reviewed.
c) Personal Interest Register: Documenting the business interests of Responsible Persons to identify potential conflicts.
d) Gifts Received Register: Records all financial and immaterial interests offered or received by Responsible Persons.

4.3. Training: Key Individuals and Representatives undergo comprehensive training on our Conflicts of Interest Policy.

4.4. Policy Acknowledgment: All employees and representatives are required to read and sign a statement indicating their understanding and agreement with the policy's provisions and application.

4.5. Internal Compliance Checks: Periodic checks are conducted by internal compliance to ensure policy compliance, including verifying the accuracy of the Gifts Received Register.

4.6. Enforcement: Non-compliance with the policy is subject to disciplinary procedures as per FAIS and employment conditions, potentially resulting in debarment or dismissal.

4.7. Strict Adherence: Any attempt to avoid, limit, or circumvent the policy will be treated as non-compliance.

4.8. External Compliance Oversight: Monitoring of the Conflicts of Interest Policy is included in the external compliance officer's general monitoring duties, with reporting provided in the annual compliance report to the relevant regulatory body.

5. Practical Guide: Managing Immaterial Financial Interests

At OnEquity SA, we adhere to the "R1000 Rule" to govern the interaction between our Key Individuals and Representatives and those of other Financial Services Providers (FSPs). This rule prohibits the spending on or receiving of "immaterial financial interests" exceeding R1000 per year per Representative. Examples of "immaterial financial interests" include, but are not limited to:

Risk Disclosure: Trading in financial instruments involves substantial risk and may not be suitable for all investors. The value of investments is volatile and can result in total loss of capital. Investors should consider their financial situation, investment experience, and risk tolerance, and may seek professional advice. Past performance is not indicative of future results.

- Meals
- Social outings such as golf days
- Gifts, such as wine
- Tickets for sporting events like rugby or cricket matches
- Overseas trips

It's essential to note that the R1000 limit applies individually to each Representative, rather than per FSP or Product Supplier. For instance, if we have interactions with representatives from another FSP, such as "Best Interests At Heart," we may spend up to R1000 per year on each of their representatives.

We cannot aggregate this amount across multiple representatives to exceed the limit. Similarly, representatives from OnEquity SA (PTY) Ltd cannot accept more than R1000 worth of gifts, hospitality, meals, etc., from another FSP or Product Supplier within a calendar year.

Exceptions to this prohibition include bona fide training or information sessions on products, technical systems, or general industry information. However, certain conditions apply:

- Sessions must be open to all, not restricted to a selected group.
- The FSP or Product Supplier cannot cover attendees' accommodation or travel costs.
- Provided meals and beverages must be incidental to the session and not the primary focus.

For example, we could organize an industry information session at a prestigious venue like the Mount Nelson Hotel. However, attendance cannot be based solely on sales volume, and meals provided should be incidental to the session's purpose and not excessive.

Risk Disclosure: Trading in financial instruments involves substantial risk and may not be suitable for all investors. The value of investments is volatile and can result in total loss of capital. Investors should consider their financial situation, investment experience, and risk tolerance, and may seek professional advice. Past performance is not indicative of future results.

6. Appendices

6.1. **Appendix A - Register of Associates**

Purpose: This appendix aims to provide clients with an understanding of group structures if applicable.

Name	Relationship

6.2. **Appendix B - Conflicts of Interest Register**

Purpose: To record the incidence of conflicts of interest by the FSP to ensure compliance with the requirements of the FAIS Act. This REGISTER is intended as a summary document only.

Perceived conflicts of interest identified	**Actual conflicts of interest identified**	**Person that identified conflict**	**Action taken / Control measure**

6.3. **Appendix C - Personal Interest Register**

Purpose: Does OnEquity SA hold equity in other companies, subsidiaries?

Name	**Declared Interested**

6.4. **Appendix B - Conflicts of Interest Register**

Purpose: To record the incidence of conflicts of interest by the FSP to ensure compliance with the requirements of the FAIS Act. This REGISTER is intended as a summary document only.

Client / Product provider name (sent by)	Nature of gift or item received and monetary value	Date received	Reason for immaterial financial interest	Response / Comments