

## **POLICY OF INDEPENDENCE AND CONFLICT MANAGEMENT**

Redex Research Advisory Ltd conducts its business in accordance with the highest standards and has implemented procedures to ensure that its investment research is not influenced by other activities.

### **Independent research**

Redex writes and publishes Independent Investment Research as defined in the FCA Handbook

### **Origination and publication procedures**

Redex has implemented the following procedures to ensure that the distribution of its investment research and other research communications meet the FCA requirements to ensure that potential conflicts of interest are properly managed.

Distribution of research to clients is coordinated to ensure that reports are distributed to all recipients at the same time subject to any constraints beyond our control.

All analysts must disregard an arrangement that could influence the content of Redex's investment research. If an analyst believes his/her independence is compromised or is a material interest is involved, he/she must consult with our compliance officer before continuing work.

Redex applies the following standards to the presentation of research:

- All research communications clearly differentiate between facts and opinions, estimates or non-factual information.
- Our research quotes reliable sources and clearly identifies cases where a source's reliability may be in question
- All forecasts and target prices are clearly labelled and material assumptions identified
- All recommendations are substantiated
- Material sources of information are identified and labelled
- Valuation methodologies are identified and summarized
- Changes to forecasts, target price and recommendations are clearly identified

### **Managing research conflicts**

Redex has procedures to identify potential conflicts and internal guidance is provided to our employees so this is understood.

Redex does not publish non-independent research

Redex does not offer independent investment research coverage to a client under any circumstances

Analysts are supervised directly by the head of research, who has final say on the coverage, content, and timing of publication

Analyst pay is tied to the firm's overall result and individual performance

### **Personal account dealing**

Analysts and related persons are not allowed to trade in investments that relate to the industry or business sectors on which Redex publishes research

### **Inducements**

Redex analysts are not allowed to solicit or accept any inducement to publish or change an investment recommendation. If any analyst is offered an inducement, they are required to report this immediately to the head of research and our compliance officer

Analyst can accept nominal gifts and ordinary business entertainment. A company covered by the company may offer to pay reasonable expenses and/or provide reasonable hospitality for visits and these are no regarded as inducements but must be approved by the head of research and reported to the compliance officer

### **Outside business interests/activities**

Redex requires all employees to obtain prior approval to engage in outside business activities. Where this is approved, the employee must provide regular updates. An analyst may not serve as an officer, director or advisor to a company in the sector which that analyst covers.

### **Dissemination of research**

Research reports are made available at the same time to all recipients.

Companies may be allowed to review investment research prior to publication for factual accuracy only. Under no circumstances will a company be informed of an analysts' recommendation and all references to valuation and target price must be stripped out of draft copies that are sent for factual review.

Investment research is not intended for retail clients as defined by FCA rules and the distribution of research is monitored to ensure it goes only to professional investors

### **Required research disclosures**

The FCA Rules detail the disclosures required when publishing research recommendations.

- The identity of the analysts responsible for a research report including firm and job title
- All substantially material sources are labelled
- Valuation methodology to evaluate a security of set a price target is clearly summarised
- The meaning of any recommendation made and the time frame is explained and any appropriate risk warning is indicated
- Reference is made to the planned frequency of updates and to any major changes in the coverage policy
- The date and time that a research recommendation is published will be clearly marked
- Changes to a recommendation will be clearly labelled
- Disclosure of 1) any relationships and circumstances; or 2) interests or conflicts from the analyst of the firm that could impair the objectivity of a research recommendation; 3) financial interests by the firm or analyst

### **Monitoring**

Our research policies and procedures are monitored by compliance on a quarterly basis to ensure we meet and maintain our obligations