

# CONFLICTS OF INTEREST STATEMENT

## Introduction

First State Investments is a global fund manager, wholly owned by Mitsubishi UFJ Financial Group (MUFG). It operates in Australia as First State Investments and ex-Australia as First State Investments.

It is First State Investments' policy to conduct all business in an honest and ethical manner and we are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. As part of this, First State Investments ensures that conflicts of interest are effectively identified and managed to uphold the Group's values of integrity, collaboration, excellence, accountability and service.

## What are conflicts of interest?

Conflicts of interest can arise from the interaction between different business units and affiliates of First State Investments, their clients, external parties and personal conflicts with employees. Conflicts can also occur between First State Investments and our parent MUFG. Where the interests of these stakeholders are different, this can create a conflict of interest, which needs to be managed fairly.

## A conflict of interest may arise where:

- First State Investments' interest conflicts with its duty to its clients
- First State Investments' interest to one client conflicts with its duty to another client
- First State Investments owes a duty of confidentiality to one party but has the obligation to have undivided loyalty to all its clients.
- Conflicts of interest may be actual, potential or perceived (where no actual conflict of interest exists, the perception of a conflict may be enough to cause potential reputational damage). As such, it is important that there are processes and policies in place to deal with actual, perceived and potential conflicts of interest. Where these conflicts arise, consideration must be afforded to managing the conflict fairly.

## Identifying and managing conflicts of interest

All employees are required to understand conflicts of interest, how they may arise and what should be done when conflicts are identified. The overarching approach to be followed by all employees on managing a conflict of interest is as follows:

- Identify – understand what a conflict is and how it may arise in relation to our day to day responsibilities and activities.
- Act – act in a manner aligned with the principles set out in First State Investments' policies and procedures to manage identified conflicts.
- Report – all actual and potential conflicts must be recorded in their business unit's conflicts of interest registers.

The Risk and Compliance teams will also assist in the identification and monitoring of actual and potential conflicts of interest whilst also maintaining a record of any conflicts of interest.

Where a conflict of interest or a potential conflict of interest is identified, the appropriate course of action to ensure fair treatment of clients may include:

- Disclosure of the interest to clients; for instance in investment management agreements disclosure that we act for more than one client and we will seek to treat each fairly.
- Rely on a policy of independence; for instance where First State Investments is acting for both sides of a transaction i.e. "agency cross" ensure that terms of the transaction are normal commercial terms.
- Establish internal arrangements; for instance preventing the transfer of information internally by implementing information barriers.
- If necessary, decline to act for a client.

## Monitoring and reporting

First State Investments undertakes reviews to check whether employees are complying with relevant policies and procedures to identify and manage conflicts of interest. Risk and Compliance regularly monitor staff dealing activities, investment management activity, and the firm's systems and controls are subject to periodic review and audit. Information relating to identifying and managing conflicts of interest is reported, and considered by, Committee's and relevant Boards.

## Other policies supporting this statement

- Statement of Professional Practice
- Conflicts of Interest Policy
- Gifts & Entertainment
- Personal Account dealing
- Order Handling (execution and trade allocation)
- Whistle Blowing
- Market Abuse
- Global Stewardship Principles
- Responsible Investment Report
- Dealing with Related Entities Policy
- Outsourcing Policy

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References to "we" or "us" are references to First Sentier Investors a member of MFG, a global financial group. First Sentier Investors includes a number of entities in different jurisdictions, operating in Australia as First Sentier Investors and as First State Investments elsewhere.

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