



10X YOUR FUTURE

INVESTMENTS_

2023

CONFLICT OF INTEREST MANAGEMENT POLICY

10X INVESTMENTS (PTY) LTD

Reg No. 2005/033587/07

FSP NO. 28250

AND

10X INDEX FUND MANAGERS (RF) (PTY) LTD

Reg No. 2005/033587/07

TABLE OF CONTENTS

1. SCOPE
2. PURPOSE OF POLICY
3. FINANCIAL INTEREST
4. MECHANISMS FOR IDENTIFYING CONFLICT OF INTEREST
5. RESOLVING CONFLICT OF INTEREST
6. POTENTIAL CONFLICT OF INTEREST THAT COULD AFFECT 10X
7. MEASURES FOR AVOIDING CONFLICT OF INTEREST
8. DISCLOSURE OF CONFLICT OF INTEREST
9. PROCESSES, PROCEDURES, AND INTERNAL CONTROLS
TO FACILITATE COMPLIANCE WITH THE POLICY
10. CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY

ANNEXURE A



1. SCOPE

The General Code of Conduct for Financial Service Providers and Representatives (“the Code”) published in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 (“FAIS”) requires every Financial Service Provider (“FSP”) to adopt, implement and maintain a Conflict-of-Interest Management Policy.

This policy is applicable to the following legal entities within the 10X Group (hereinafter referred to as “10X”):

10X Investments (Pty) Ltd; and

10X Index Fund Managers (RF) Pty Ltd

In this policy “conflict of interest” (COI) means any situation in which 10X’s directors, employees, representatives or authorised agents have an actual or potential interest that may, in rendering a financial service to a customer influence the objective performance of his/her obligations to that customer, or prevent 10X employees or representatives from rendering an unbiased and fair financial service to that customer, or from acting in the interests of that customer, including, but not limited to:-

- a) a financial interest;
- b) an ownership interest;
- c) any relationship with a third party. In this policy third party means:
 - A product supplier;
 - Another provider;
 - An associate of a product supplier or a provider;
 - A distribution channel; and
 - Any person who in terms of an agreement or arrangement with a person referred to above provides a financial interest to a provider or its representatives.

Non-Executive Directors are bound by their obligations in terms of the Companies Act, No 71 of 2008 and the King Code of Corporate Governance.



2. PURPOSE OF THE POLICY

- 2.1. The purpose of this policy is to document 10X's commitment to establishing and maintaining a Conflict-of-Interest Management Policy for 10X in order to provide guidance on the behaviours expected in accordance with 10X's standards, to promote transparency and to avoid business related COI, to ensure fairness in the interest of employees and 10X, to document the process for the disclosure, approval and review of activities that may amount to actual, potential or perceived COI and to provide a mechanism for the objective review of personal outside interests.
- 2.2. 10X is committed to ensuring that all business is conducted in accordance with good business practice. To this end 10X conducts business in an ethical and equitable manner and in a way that safeguards the interest of all stakeholders to minimise and manage all real, potential or perceived COI. 10X will avoid (or mitigate where avoidance is not possible) any COI between 10X and a customer.

3. FINANCIAL INTEREST

- 3.1. 10X or its representatives may only receive from or offer financial interest to a third party as determined by the applicable Registrar from time to time.
- 3.2. "Financial Interest" means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic and foreign travel, hospitality, accommodation, sponsorship, other incentive, or valuable consideration, other than-
 - 3.2.1. An ownership interest;
 - 3.2.2. Training, that is not exclusively available to a selected group of providers or representatives on products and legal matters relating to those products; general financial and industry information; specialised technological systems of a third party necessary for the rendering of a financial service; but excluding travel and accommodation associated with that training.
- 3.3. 10X may not offer any financial interest to its representatives for giving preference to the quantity of business secured for the provider to the exclusion of the quality of the service rendered to customers, or giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a customer; OR giving



preference to a specific product of a product supplier, where a representative may recommend more than one product supplier to a customer.

4. MECHANISMS FOR IDENTIFYING A COI

4.1. The mechanisms implemented to identify actual or potential conflict of interest for 10X are:

- 4.1.1. Declarations are signed by all directors, employees, key individuals, and representatives confirming the presence or absence of any actual or potential COI in a bi-annual basis.
- 4.1.2. The following information is disclosed in Annexure A of this policy and shall be read as if specifically incorporated herein:
- 4.1.3. A list of all 10X's associates;
- 4.1.4. A list of all parties in which 10X holds an ownership interest;
- 4.1.5. A list of third parties that holds an ownership interest in 10X ;
- 4.1.6. All gifts received from third parties, with an estimated value of R 1000.00 or more, are recorded in the 10X's gift register. For more information see the 10X Gift and Hospitality Policy. A copy of this policy can be requested from compliance@10x.co.za
- 4.1.7. All employees must disclose in writing to the management team of 10X on an ongoing basis, any conflict of interest that they may become aware of.
- 4.1.8. All records associated with the identification of an actual or potential or perceived conflict of interest is kept on the compliance file which is available for inspection.

5. RESOLVING COI

5.1. The first and most important line of defence against COI is the directors, key individuals, representatives, and employees.

5.2. Throughout the process of rendering a financial service to a customer, or a third party, a key individual or representative must apply his or her mind to answering the following questions:

- 5.2.1. Is there any situation that exists that influences the objective performance of my obligations?



- 5.2.2. Is there any situation that prevents me from rendering an unbiased and fair financial services to my customer?
- 5.2.3. Is there any situation that exists that prevents me from acting in the interest of my customer?
- 5.3. If a key individual or representative have an actual or potential interest can prevent them from acting fairly, independently and objectively. They would not be acting in the customer or third party's interest.
- 5.4. It is important to note that a COI is not limited to a financial or ownership interest, but also includes relationship with third parties.

6. POTENTIAL COI THAT COULD AFFECT 10X.

- 6.1. The following are potential COI that could affect 10X:
 - 6.1.1. Directorship or other employment;
 - 6.1.2. Interest in business enterprises or professional practices;
 - 6.1.3. Share ownership;
 - 6.1.4. Beneficial interest in trusts;
 - 6.1.5. Personal Account Trading;
 - 6.1.6. Professional associations or relationships with other organisations;
 - 6.1.7. Personal associations with other groups or organisations, or family relationships;
 - 6.1.8. Rebates;
 - 6.1.9. Kickbacks; and
 - 6.1.10. Commission.

7. MEASURES TO AVOID COI

- 7.1. Once an actual or potential COI has been identified the following measures will be followed to determine whether the COI is avoidable:
 - 7.1.1. The management team of 10X will convene and review the actual or potential conflict of interest in an open and honest forum.
 - 7.1.2. All information surrounding the actual or potential conflict of interest must be disclosed to all interested parties.



- 7.1.3. All information surrounding the actual or potential conflict of interest must be disclosed to the 10X Compliance Officers.
- 7.1.4. The following consequences must be considered during the review process:
 - 7.1.4.1. The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on customers;
 - 7.1.4.2. The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on the integrity of the financial services industry;
 - 7.1.4.3. The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on 10X.
- 7.1.5. The management team of 10X must apply its mind as to whether 10X can obtain a more advantageous transaction, contract, or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- 7.1.6. If a more advantageous transaction, contract or other arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the management team of the 10X shall determine by a majority vote whether the transaction, contract or arrangement is in the best interest of 10X and any affected customer/s and accordingly make its decision as to whether to enter into the transaction, contract or arrangement in conformity with such determination.
- 7.1.7. If the management team of 10X has determined that the actual or potential conflict of interest is avoidable, the following processes must be adhered to:
 - 7.1.7.1. The management team must approve, by a majority vote, the removal of the underlying cause of the actual or potential conflict of interest;
 - 7.1.7.2. The underlying cause of the actual or potential conflict of interest must be removed as soon as reasonably possible;
 - 7.1.7.3. Any negative impact on customers owing to the removal of the actual or potential conflict of interest must be kept to a minimum;
 - 7.1.7.4. The reason(s) why the actual or potential conflict of interest was determined to be avoidable must be recorded;



- 7.1.7.5. All determinations and interventions as it pertains to the avoidance of the conflict of interest must be documented and kept on the compliance file; and
- 7.1.7.6. Similar situations that give rise to actual or potential conflicts of interests must be avoided in the future.

8. DISCLOSURE OF COI

- 8.1. At the earliest reasonable opportunity, 10X and its representative must, in writing, disclose to a customer any COI in respect of that customer including –
 - 8.1.1. Measures taken to avoid or mitigate the conflict;
 - 8.1.2. Any ownership interest or financial interest that the provider or representative may be or become eligible for;
 - 8.1.3. The nature of the relationship or arrangements with a third party that gives rise to a COI in sufficient detail to enable the customer to understand the exact nature of the COI.
 - 8.1.4. At the earliest reasonable opportunity, 10X and its representative must, in writing, inform a customer of the Conflict-of-Interest Management Policy and how it may be accessed;
 - 8.1.5. A copy of our conflict-of-interest management policy can be downloaded from the 10X website at www.10x.co.za.
 - 8.1.6. Notification of an actual or potential COI should be made to a person with responsibility for the issue or area, such as the relevant management team, supervisor, head of the department or key individual.
 - 8.1.7. In accordance with an employee's obligation to act in the best interest of his or her employer, it is not permissible for employees to engage in conduct that would amount to a COI with 10X.
 - 8.1.8. Staff who fail to disclose a potential or actual COI in accordance with this policy may be liable to 10X disciplinary procedures.



9. PROCESSES, PROCEDURES, AND INTERNAL CONTROLS TO FACILITATE COMPLIANCE WITH THE POLICY

- 9.1. Every staff member has access to a copy of the Conflicts of Interest Management Policy.
- 9.2. If a potential COI arises, the transaction must first be discussed with management before the transaction is entered into and/or actioned.
- 9.3. This policy will be overseen by the management team of 10X who carry the responsibility for the implementation, reviewing and updating of the policy's associated processes.
- 9.4. This policy will be reviewed at least annually, and where necessary, updated to ensure that the arrangements remain adequate to identify, assess, evaluate, and successfully control COI.
- 9.5. This policy will be regularly reviewed by the appointed Compliance Officers, and where necessary, updated to ensure that the arrangements remain adequate to identify, assess, evaluate, and successfully control COI.
- 9.6. The gift register section of this policy must be reviewed, updated and signed by the nominated Key Individual on an annual basis.
- 9.7. The gift register section of this policy must be reviewed, updated and signed by the appointed Compliance Officer on an annual basis.
- 9.8. Conflict of interest register will be maintained and updated regularly with all new COI identified within the financial services provider.
- 9.9. The policy will be published on the appropriate media which is easily accessible for public inspection at all reasonable times.

10. CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY

- 10.1. Non-compliance with this policy and the procedures described herein may be considered an act of misconduct and employees may be subject to disciplinary action that may lead to dismissal.
- 10.2. If there is reason to believe that an employee or a representative has failed to disclose actual or possible COI, 10X's management team shall afford that person the opportunity to explain the alleged failure to disclose.



- 10.3. If after hearing the response of the employee or representative and making such further enquiries as may be warranted in the circumstances, and where the management team of 10X determines that the employee or representative has in fact failed to disclose an actual or potential COI, it shall take appropriate disciplinary and corrective action.
- 10.4. If after hearing the response of the employee or representative and making such further enquires as may be warranted in the circumstances, and where the management team of the FSP determines that the employee or representative has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.



LIST OF ASSOCIATES

NONE

NAMES OF ANY THIRD PARTIES THAT HOLD AN OWNERSHIP INTEREST IN 10X

NAME	SHAREHOLDING
DIGAME AFRICA (Incorporated in the Republic of Mauritius)	40.23%
OMPE GP IV (PTY) LTD	58.85%
Minor Shareholders Total	0.92%

NAMES OF ANY THIRD PARTIES IN WHICH 10X HOLD AN OWNERSHIP INTEREST

Coreshares Asset Management (Pty) Ltd

Registration Number: 2014/135757/07

Coreshares Holding (Pty) Ltd

Registration Number: 2013/184705/07

