

BARCLAYS WEALTH: CONFLICTS OF INTEREST AND MATERIAL INTERESTS

INTRODUCTION

The complexity and size of our business, our position within the wider Barclays Group, and our reliance on third parties at various points can occasionally lead to situations where our interests and/or those of our staff conflict with your interests. Equally, your interests may occasionally compete with those of other clients.

CONFLICTS OF INTEREST POLICY

Where we are aware, including made aware, that we are faced with a situation of competing Interests, we will undertake all reasonable steps to protect your interests and ensure your fair treatment, in line with the duties we owe you as our client. To this effect, we have a framework in place to handle conflicts of interest, such that we act with an appropriate degree of independence from our own interests when transacting with you or dealing on your behalf. This framework comprises:

- (a) a policy that specifies the requirements for staff to identify, prevent and manage conflicts of interest, including ongoing monitoring of the effectiveness of the arrangements designed to protect your interests in the face of conflicts;
- (b) the active engagement of senior management in order to ensure our arrangements remain robust; and
- (c) mandatory training sessions to familiarise all our staff with the relevant arrangements.

Where we are not satisfied that our arrangements to handle conflicts are sufficient to prevent a conflict from potentially harming your interests, we will:

- (a) disclose the nature and source of the conflict to you; and
- (b) if appropriate, obtain your permission to proceed with the service.

On request, we will provide you with further information on how we handle conflicts of interest.

We describe below some of the types of conflicts of interest that could arise so that you are able to understand them and consent to our acting nonetheless. Examples of such situations include:

- (a) where we or our Associates carry on business on behalf of other clients;
- (b) where recommendations we make to you differ from advice or recommendations given to other clients by us or our Associates;
- (c) where we deal on your behalf through an Associate or where an Associate is otherwise receiving an agent's commission;
- (d) where we effect, arrange or give advice on transactions in which we or an Associate benefit from a commission, fee, mark-up or markdown payable otherwise than by you and/or in respect of which we or an associate may also be remunerated by the counterparty to the transaction;
- (e) where a deal or recommendation involves investments issued by us, an associate, a client or a client of an associate;
- (f) where our Associates deal with you as principal for their own account or have a long or short position in securities that are held by you or in which we deal on your behalf;
- (g) where we match your transaction with that of another client by acting on their behalf as agent as well as yours;
- (h) executing a transaction or advising in circumstances where we have knowledge of other actual or potential transactions in the investment concerned;
- (i) where we deal or recommend units in a Mutual Fund or investment trust company in respect of which we or our Associates are the trustee, investment manager or operator (or an adviser of the

trustee, investment manager or operator) of the Mutual Fund or investment trust company or otherwise act in a similar capacity;

(j) where we or our Associates are involved in or act in respect of a new issue, rights issue, takeover or any other transaction or have any other relationship with an issuer of investments which is relevant to investments in which we deal on your behalf or make recommendations; or

(k) where our officers or employees or those of our Associates act as officers or employees of issuers of investments in respect of which we deal on your behalf or make recommendations.

We will ensure that transactions into which we enter on your behalf are on terms that are not materially less favourable to you than if no potential conflict had existed. Neither we nor any other member of the Barclays Group will account to you for any profit, commission or remuneration made or received from or by reason of such transactions and these amounts will not be set-off against our fees except where this is required by Financial Services Regulations (if there is no such requirement in the jurisdiction in which we provide services to you, we will meet the requirements of the Financial Services Authority in the United Kingdom).

When conducting business for you, we may receive from or pay to a third party commissions or other benefits in relation to that business. For any such commissions or benefits, we will ensure that these arrangements provide for an enhancement of the service to which they relate and that they do not prevent us from acting in your best interests.

For any business where you are introduced by a third party, we may have made a payment to the introducer or pay ongoing commissions. The basis of such payments will be made available to you on request.

When providing services to you, we are permitted to deal in investments with you as agent and/or principal, including dealing in investments issued by Barclays Bank PLC or another member of the Barclays Group. Neither the relationship between you and us as described in the Agreement, nor any other service that we provide to you, will give rise to any duties on our part or that of our Associates that would prevent us or our Associates doing business except where it would not be permitted under Financial Services Regulations (if there is no such requirement in the jurisdiction in which we provide services to you, we will meet the requirements of the Financial Services Authority in the United Kingdom).

We and our Associates provide a range of services and may possess information of a confidential or non-public nature which we are under a duty not to disclose or use for our own benefit or anyone else. We will therefore be unable to use this information on your behalf or disclose it to you. In providing our services under the Agreement, we are not obliged to disclose or take into consideration any information, fact or matter that:

- (a) has not come to the actual attention of the individual making the recommendation to you or acting on your behalf, whether or not it has come to the attention of any other person;
- (b) disclosure of which would be a breach of a duty of confidentiality to any other person or result in a breach of any applicable law or regulation; or
- (c) is held solely in a division of us or the Barclays Group in a manner that precludes its publication outside that division.