

# CONFLICTS OF INTEREST POLICY

---

**This policy is applicable to the following Phoenix Wealth products and any services provided in relation to them:**

**Retirement Wealth Account, Family Suntrust, Investment Bond, Trustee Investment Plan, Corporate Trustee Investment Plan, The Personal Pension, The Section 32, and The Executive Pension.**

---

# WHAT IS A CONFLICT OF INTEREST?

A conflict of interest occurs when we, or a third-party supplier of ours, in the course of doing business with you have a material interest in obtaining a different result from one that may be best for you.

## **A conflict of interest will arise where:**

- there is a conflict between the interests of the firm (or certain firms or individuals connected to the firm or the firm's group) and the duty the firm owes to a client; or
- between the differing interests of two or more of its clients, to whom the firm owes in each case a duty.

We aim to establish, maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients.

## **What are our obligations?**

We have a legal obligation, set down by the financial services regulator, the Financial Conduct Authority (FCA), under the Financial Services and Markets Act 2000, to:

- identify conflicts of interest
- manage conflicts of interest to the best of our ability and
- disclose conflicts of interest, where we do not have reasonable confidence that our arrangements will prevent the risk of damage to the interests of our clients.

The FCA Principles are a general statement of the fundamental obligations of firms under the regulatory system, and Principle 8 establishes the obligation of firms to manage conflicts of interest as a core responsibility.

**Principle 8 (Conflicts of interest)** - A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.

## **Identifying conflicts of interest**

The first step in managing conflicts of interest is to identify them. We will take all reasonable steps to identify conflicts of interest between:

- us, including our managers, employees and appointed representatives (or where applicable, tied agents), and a client or
- one client and another client

Our identification procedures include:

- evaluation of new and updated business procedures
- evaluation of new and updated products
- procedures for our employees detailing their responsibilities concerning conflicts of interest and
- a written record of conflicts of interest.

## **Types of conflicts of interest**

When identifying conflicts a firm must take into account, as a minimum, whether the firm, (its members or employees):

- is likely to make a financial gain, or avoid a financial loss, at the expense of the client
- has an interest in the outcome of a service provided to the client (or of a transaction carried out on behalf of the client) which is distinct from the client's interest in that outcome
- has a financial or other incentive to favour the interest of another client (or group of clients) over the interests of the client
- carries on the same business as the client or
- receives an inducement in relation to a service provided to the client, in the form of monies, or goods or services other than the standard commission fee for that service.

## **Managing conflicts**

We have put in place numerous internal policies and procedures which our employees are bound by and which are designed to manage recognised and potential conflicts of interest. A core Phoenix Group policy is the Code of Business Ethics and Ethical Conduct which covers areas such as:

- **Insider dealing**
- **Outside Activities and Employment**
- **Whistle Blowing**
- **Confidentiality and Privacy**
- **Internal Fraud and Money Laundering**

## **Record keeping**

We will maintain a record of conflicts of interest and our approach to managing them within this document. We will continue to monitor our business and any newly identified conflicts will be disclosed by updating this document.

## Disclosure of conflicts of interest

Phoenix Wealth has procedures to protect its clients from existing and potential conflicts of interest. However, in some circumstances we may conclude that a conflict of interest cannot be managed appropriately. Where this occurs we shall disclose the conflict to the client in order for them to make an informed judgement as to whether they wish to continue with that particular line of business. Any such disclosure will be made in writing and contain sufficient detail about the relevant conflict of interest to enable an informed decision.

## Examples of Phoenix Wealth’s identified conflicts of interest

Conflict of interest arising from	How we manage this conflict
<p><b>Our commercial interests in your investment decisions</b></p> <p>Some types of business are more profitable for us to administer. This may be because we receive favourable commissions/benefits from our securities trading partners or some fund managers including Phoenix owned fund managers.</p> <p>For example, when a fund is closed and our clients do not provide us with instructions as to which fund they wish to be invested into instead, we will choose a default fund on their behalf. A conflict of interest could arise if this default fund was chosen simply because it was more commercially beneficial to Phoenix Wealth.</p>	<p>All of our financial promotions are rigorously checked to ensure that the fund, service or product concerned is not promoted in a way that is unfair or unbalanced.</p> <p>Firstly, we will always ask clients invested in closing funds which fund they wish to be invested into instead. Secondly, our process for choosing default funds requires that the fund picked is as close as possible to the closing fund in terms of a number of factors, including cost. Thirdly the Phoenix Wealth Fund Governance Board ratifies each default fund to ensure it is chosen in the best interests of our clients and not Phoenix Wealth.</p>
<p><b>Receipt or provision of gifts, entertainment and inducements</b></p> <p>It is possible that the receipt or provision of gifts or entertainment may influence behaviour in a way that conflicts with the interests of our clients.</p> <p>For example, an employee may be offered inducements by a fund manager in an attempt to persuade them into agreeing to offer that fund manager’s range of funds to our clients. That new fund range may not usually be considered suitable for Phoenix Wealth clients.</p>	<p>The Gifts, Entertainment and Inducements policy is designed to prevent our employees from providing or accepting gifts, or other inducements which may lead to business decisions that favour the interests of Phoenix Wealth over our clients or that favour the interest of one client (or group of clients) over the interests of another client.</p>

Phoenix Life Limited, trading as Phoenix Wealth, is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Phoenix Life Limited is registered in England No. 1016269 and has its registered office at: 1 Wythall Green Way, Wythall, Birmingham, B47 6WG.