



CONFLICTS OF INTEREST MANAGEMENT POLICY



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September 2025

1 **PURPOSE**

1.1 This Conflicts of Interest Management Policy (hereinafter referred to as “***the Policy***”) establishes the framework for identifying, evaluating, managing, and disclosing conflicts of interest that may arise in the course of business conducted by VALOR MARKETS (PTY) LTD (hereinafter referred to as “***the Company***”).

1.2 The objectives of this Policy are to:

- i. Provide guidance on the ethical standards and professional behaviours required of all representatives, key individuals, and employees of the Company;
- ii. Promote transparency in dealings with clients, suppliers, regulators, and other stakeholders;
- iii. Ensure that actual, potential, or perceived conflicts of interest are avoided where possible and, where unavoidable, are mitigated in a fair and transparent manner;
- iv. Protect the interests of clients and the integrity of the Company’s operations by ensuring that no conflict compromises the delivery of unbiased intermediary services;
- v. Establish processes for disclosure, approval, and review of activities that could give rise to conflicts of interest.

1.3 This Policy applies exclusively to VALOR MARKETS (PTY) LTD, which is licensed as an authorised Financial Services Provider (FSP No. 54447) under the Financial Advisory and Intermediary Services Act, 37 of 2002 (“***FAIS***”). It does not apply to Valor Markets Ltd, incorporated under the laws of the Union of the Comoros, which is a separate legal entity that performs client onboarding, account opening, trading execution, and custody of client funds.



2 **DEFINITIONS**

For purposes of this policy, the following words and/or phrases are defined herein:

- 2.1 **“CONFLICT OF INTEREST”** means any situation in which Valor Markets (Pty) Ltd or its representatives have an actual or potential interest that may influence the objective performance of intermediary services or may prevent the Company from rendering an unbiased and fair service to clients. This includes financial interests, ownership interests, and relationships with third parties such as product suppliers or distribution channels.
- 2.2 **“FINANCIAL INTEREST”** means any cash, cash equivalent, voucher, gift, service, benefit, sponsorship, advantage, or other consideration, other than permitted training and ownership interests.
- 2.3 **“IMMATERIAL FINANCIAL INTEREST”** means any financial interest with a determinable monetary value, the aggregate of which does not exceed one thousand ZAR (R1,000.00) in any calendar year from the same third party in that calendar year received by –
- i. a provider who is a sole proprietor; or
 - ii. a representative for that representative’s direct benefit;
 - iii. a provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives.
- 2.4 **“REPRESENTATIVE”** means any natural person employed or mandated by the Company to render intermediary services to clients under FAIS.
- 2.5 **“THIRD PARTY”** means any product supplier, other financial services provider, associate, distribution channel, or any person who provides a financial interest to the Company or its representatives.

3 **GENERAL PRINCIPLES**



- 3.1 VALOR MARKETS (PTY) LTD and its representatives shall avoid conflicts of interest wherever reasonably possible.
- 3.2 Where a conflict of interest cannot be fully avoided, the Company shall adopt measures to mitigate the conflict and ensure that clients are not prejudiced.
- 3.3 The Company and its representatives shall not:
 - i. Accept any financial interest that exceeds the statutory thresholds prescribed under FAIS.
 - ii. Offer any financial interest to a representative that creates an incentive to favour one product supplier or financial product over another, or to prioritise quantity of business over quality of service.

4 IDENTIFYING CONFLICTS OF INTEREST

In determining whether a situation gives rise to a conflict of interest, the Company shall consider, inter alia, whether:

- i. The interests of the client are placed first, or whether personal or corporate interests are being prioritised;
- ii. The independence and objectivity of advice or intermediary services may be compromised;
- iii. A representative or key individual has any financial or ownership interest in a product supplier or competing entity;
- iv. External pressures or incentives are likely to unduly influence business decisions.

5 DISCLOSURES OF CONFLICTS OF INTEREST

- 5.1 At the earliest reasonable opportunity, the Company and its representatives shall disclose in writing to clients any actual or potential conflict of interest, including:
 - i. The nature of the financial or ownership interest concerned.



- ii. The measures taken to mitigate the conflict.
- iii. The relationship with a third party that may give rise to the conflict.

5.2 Full disclosure enables clients to make informed decisions and ensures transparency in line with the requirements of FAIS.

6 MANAGING AND RESOLVING CONFLICTS OF INTEREST

- 6.1 Representatives and employees must disclose any actual or potential conflicts of interest to their line manager or the Compliance Officer immediately upon becoming aware of such conflict.
- 6.2 Conflicts shall be recorded in a central Conflicts of Interest Register maintained by the Compliance Department.
- 6.3 Where necessary, management shall impose conditions or restrictions to mitigate the conflict, which may include:
- i. Reassigning responsibilities.
 - ii. Implementing information barriers.
 - iii. Declining certain business where conflicts cannot be mitigated.
- 6.4 Failure to disclose or manage conflicts of interest in accordance with this Policy may result in disciplinary action.

7 SPECIFIC CONFLICT SCENARIOS

- 7.1 Potential conflicts of interest that may arise in the operations of Valor Markets (Pty) Ltd include:
- i. Representatives holding directorships or ownership interests in product suppliers.
 - ii. Receiving gifts or inducements from service providers beyond the permissible immaterial threshold.



- iii. Personal account trading that may influence advice or intermediary activities.
- iv. Rebates, kickbacks, or commissions that create bias towards certain suppliers or products.

7.2 Such conflicts must be disclosed and appropriately managed in accordance with this Policy.

8 INSIDER TRADING AND MARKET ABUSE

Representatives are strictly prohibited from engaging in insider trading or any form of market abuse. Using non-public, price-sensitive information for personal or third-party gain constitutes both a criminal offence and a serious breach of this Policy.

9 TRAINING AND AWARENESS

The Company shall provide regular training to all employees and representatives on identifying, disclosing, and managing conflicts of interest. Training shall also emphasise the distinction between the regulated intermediary role of VALOR MARKETS (PTY) LTD under South African law and the trading services provided by VALOR MARKETS LTD.

10 RECORD-KEEPING

All disclosures of conflicts of interest and measures taken to resolve them shall be documented and retained in accordance with the record-keeping obligations imposed by FAIS and FICA.

11 MONITORING AND REVIEW



This Policy shall be reviewed annually by the Compliance Department and approved by the Board of Directors. Amendments shall be made where required by legislative or regulatory developments.

12 CONCLUSION

All representatives, employees, and key individuals of VALOR MARKETS (PTY) LTD are expected to uphold the highest standards of ethical conduct in identifying and managing conflicts of interest. The Company remains committed to safeguarding client interests, complying with FAIS requirements, and ensuring that intermediary services are provided with transparency, independence, and integrity.
