

CONFLICTS OF INTEREST POLICY

1. Preamble:

The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MIRSD/5/2013 dated August 27, 2013 has prescribed the guidelines for dealing with Conflicts of Interest of Intermediaries, Recognised Stock Exchanges, Recognised Clearing Corporations, Depositories and their Associated Persons in Securities Market. All intermediaries, recognised stock exchanges, recognised clearing corporations and depositories (hereinafter collectively referred to as "Entities") are presently governed by the provisions for avoidance of conflict of interest as mandated in the respective regulations read with relevant circulars issued from time to time by SEBI. On the lines of Principle 8 of the International Organisation of Securities Commissions (IOSCO) Objectives and Principles of Securities Regulations, it has been decided to put in place comprehensive guidelines to collectively cover Entities and their associated persons, for elimination of their conflict of interest. 360 ONE WAM Limited (**'360 ONE WAM or 'Company'**) and its subsidiaries (**'360 ONE Group'**), are registered with SEBI in various capacities and the said circular is accordingly applicable.

2. Purpose:

The Conflicts of Interest Policy (**Policy**) is intended to provide a framework for conducting business and operations of **360 ONE WAM Ltd** and **360 ONE Group**, with guiding principle of fair practice and risk mitigation for resolution of potential and actual conflicts of interest. This Policy shall be understood to include, inter alia, the best practices and high industry standards in the conduct of business, managing internal processes and service to the clients/investors (**Clients**) of the 360 ONE Group and associated companies.

3. Monitoring and Mitigation of Conflict of Interest:

The conflicts of interest are monitored and mitigated through various governance measures and processes, including the following:

- 1) Every entity within the 360 ONE Group is independently managed under the supervision of its respective Board;
- 2) Conflicts of interest are monitored through an independent review by separate Audit Committee(s) and Nomination & Remuneration Committee(s), constituted by Companies in the 360 ONE Group which are required to do so under applicable Law;
- 3) Mitigation through various Policies adopted and implemented:
 - a. 'Code of Conduct for employees and Insiders', which inter alia governs preservation of unpublished price sensitive information, Chinese wall mechanism and confidentiality;
 - b. 'Related Party Transaction Policy', which inter alia governs all related party transactions with 360 ONE group entities and defining norms for arms' length transactions and process of approvals and reporting;
 - c. 'Code of Conduct for Employees', which inter alia governs terms of confidentiality, office and place of profit, non-solicitation, deputation and intellectual property rights;
 - d. 'Investment Policies', which inter alia governs restrictions and processes relating to investment and dealing in securities of Associates;
 - e. 'Risk Management Policy', adopted for different entities and functions which mitigates risk and conflicts, if any; and

- f. 'AML Policies', adopted by all different intermediaries within the 360 ONE Group, which enable an independent review of respective client records, transactions and documents.

The above mentioned polices and processes are applicable to each of the companies within the 360 ONE Group have been implemented for their respective businesses, operations and regulatory requirements, which takes care of the segregated and independent functioning and also addresses risk mitigation, if any.

4. Responsibility:

The Head – Risk (Mr. Raghuvir Mukherji) & Chief Financial Officer (Mr. Sanjay Wadhwa) (**Responsible Persons**) shall be jointly responsible for implementation and supervision of this Policy. They shall take all necessary steps to identify, monitor, document and analyze the key and potential conflicts that the company may face in day to day business. In case of any doubt/disclosure of conflict by any employee, an email may be sent to raghuvir.mukherji@360.one.

5. Conflict Resolution Advisory Board

In order to address and resolve matters which may arise conflict of interest within 360 ONE Group, a Conflict Resolution Advisory Board (**Board**) consisting of following members, is constituted:

1. CEO of the respective entity within 360 ONE Group;
2. Chief Operating Officer of 360 ONE Group;
3. Head – Compliance or designated compliance officer for respective entity;
4. Head – Risk of 360 ONE;

Any 3 members shall be considered as quorum for the meeting and/or to review or approve any transaction (approval by simple majority).

No member who is in a conflicted position should participate.

The Advisory Board will inter alia review and approve the following:

- A. Following transactions where there is potential conflict of interest and the transaction amount exceeds **Rs. 5 Crore** per transaction:
 - i. Any investment decision(s) under funds managed by 360 ONE Group which are outside the norms of market discovered price/NAV;
 - ii. lending transactions with Designated Employees;
- B. Any other matter(s) / business / client transactions with potential conflict of interest, the value of which exceeds **Rs. 1 Crore per transaction/per annum**.

6. Conflicts of Interest Database

The Compliance team of 360 ONE WAM Ltd will maintain a conflict of interest database. This database shall contain details of the following:

- i. actual or potential material conflicts as set by the thresholds mentioned in A and B above that may arise between 360 ONE Group and its Clients (or between Clients of 360 ONE Group) to manage actual or potential conflicts of interest – this will be maintained on MS Exchange (Outlook) since conflicted transactions are approved by circulation on email.

7. Designated Employees:

- MD & CEO, Executive Director, KMP of Company & Subsidiaries;
- All employees with designation of Executive Vice President/Managing Partner and above
- All functional heads
- All employees of Investment Department, Credit Department & Proprietary/Treasury Department;
- Any other person as determined by MD & Compliance Officer to be considered as designated employee basis the potential conflict;
- Promoter and Promoter Group;
- Immediate relatives, Corporate affiliations (firms/companies) and Significant controllership of all the above persons.
 - **immediate relative** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person.
 - **Corporate affiliation (firms/companies)** – where the designated employee or his immediate relative is either a partner or director in a firm/company;
 - **Significant controllership** – where the designated employee or his immediate relative is either owns shareholding/control above 2%;

8. General Principles:

360 ONE Group, its directors and Designated Employees shall:

- i. maintain high standards of integrity in the conduct of their business at all times;
- ii. ensure fair treatment of their Clients and not discriminate amongst them;
- iii. ensure that the personal interests of the Designated Employees do not, at any time conflict with their duty to their Clients and the Client's interest always takes primacy in their advice, investment decisions and transactions;
- iv. ensure non-occurrence of any event, circumstance or situation that may impair their ability to render fair, objective and unbiased services to their Clients;
- v. ensure that the Designated Employees do not conduct business in any manner that would be prejudicial to the Clients including rendering advice, dealing, transacting, distributing or selling any product or service that does not suit the Client's need and/or their the risk profile and shall not introduce any incentive structure that encourages such transactions;
- vi. not share information received from Clients or pertaining to them, obtained as a result of their dealings for personal gain or for any other purpose; and
- vii. not deal, transact, advise, and/or conduct the business in any manner that would violate any applicable law.
- viii. Disclosure to the CRAB if there are any transactions that fall within the ambit of clause 9(f) below, read with clauses 5A and 5B.

9. Determination of Areas of Conflict

The Responsible Person will, from time to time, determine the areas of conflict and appropriate measures to mitigate the conflict, including but not limited to the following:

- a. **Related Party Transactions:** All related party transactions between 360 ONE Group companies / affiliates / related parties would be executed at arm's length basis as per the Related Party Transaction Policy adopted by the Company and with required approval(s) including approval of Audit Committee, Board of Directors and Shareholders

and should be properly documented. All arrangement(s) will be periodically reviewed and compared with services offered by the market, to determine arm's length arrangement and service delivery equal to or above industry standards on continuous basis. The Chief Financial Officer and Head – Compliance will be responsible for maintain proper records of and disclosures in respect of related party transactions.

- b. **Distribution of Products of 360 ONE Group:** 360 ONE Prime distributes various financial products of the 360 ONE Group including schemes launched under IIFL Mutual Fund / IIFL Alternative Investment Funds and PMS Strategies managed by 360 ONE Asset Management Limited (**360 ONE AMC**) & 360 ONE Portfolio Managers Ltd (360 ONE PML). The terms of arrangement with 360 ONE Group for distribution should be on similar terms compared to distribution arrangements with outside distributors. However, it should not place 360 ONE Prime in any position of competitive disadvantage or regulatory compromise in the conduct of its business with other similar counterparties.

In all marketing material of products of 360 ONE AMC & 360 ONE PML distributed by 360 ONE WAM Ltd, it should specifically disclose the relationship between 360 ONE & 360 ONE AMC/360 ONE PML respectively.

- c. **Chinese Walls:** In addition to maintaining the Chinese walls as prescribed under applicable law including the SEBI Regulations and the Code of Conduct for Employees and Insiders, all employees must ensure that confidential information held by one part of the business is not used by persons in another part of the business.

The use of Chinese walls as prescribed under applicable law including the SEBI Regulations and the Code of Conduct for Employees and Insiders adopted by the Company will continue to be established and enforced by the compliance department which includes the segregation of data and computer systems, as well as physical segregation of employees so that they are unable to access the same part of the office.

- d. **Office or Place of Profit**

All employees of 360 ONE Group shall ensure compliance with the policy of Employee Code of Conduct signed during the employment with their respective companies in the 360 ONE Group and shall ensure that they do not solicit, employ, hire or engage any services from another entity or Organization which may result in conflicts of interest with activities and operations carried out by the 360 ONE Group unless adequate disclosures are made per the Policy.

Employees should avoid any directorship, position or office with any other entity or Organization which may give rise to a conflict of interest with activities and operations carried out by the 360 ONE Group.

- e. **Intellectual Property Rights:**

As per the terms of employment, all intellectual property rights used or embodied in or in connection with the business or operations of 360 ONE Group should be developed specifically for and remain the sole property of the concerned 360 ONE Group company. If any of the other affiliates propose to use any such intellectual property rights, the concerned affiliate must obtain prior written consent of 360 ONE WAM Ltd.

f. Other transactions covered under the policy:

- Transactions between Designated Employees (including parties mentioned in clause 7) and 360 ONE Group;
- Transactions between Designated Employees (including parties mentioned in clause 7) and clients of 360 ONE Group or Schemes of 360 ONE Group;
- Between 360 ONE Group and clients or schemes of 360 ONE Group;

10. Confidentiality:

- i. All information and documents in possession of the employees including in relation to any Client, which may come into the said employee's possession, as a result of management or distribution of 360 ONE Group products and services, shall be held and kept in strict confidentiality by the employees. The 360 ONE Group shall ensure that all confidential information is returned by the said employee to the relevant entity within the 360 ONE Group upon the termination of employment of such employee.
- ii. Client data may be shared by the respective intermediary within 360 ONE Group entities and affiliates only with express consent of the Client, except as required to be disclosed by any governmental entity or any applicable law or regulation.
- iii. 360 ONE Group companies should also keep utmost confidentiality of client data, have appropriate confidential and non-solicitation clauses in all vendor, service, outsourcing agreements and not disclose any confidential information, unless required to be disclosed by any governmental entity or any applicable law or regulation.

11. Disclosures of Conflict of Interest:

All employees must ensure that any transactions that are covered by 9(f) above and cross the thresholds mentioned in clauses 5A and 5B are disclosed to the Conflict Resolution Advisory Board (CRAB). Failure to disclose such transactions will be seen as a breach of code of conduct for the employee and action will be taken accordingly – this might include a warning, impact on performance appraisal, suspension, termination or where the employee has gained personally, recovery of such proceeds from the employee's salary, with the approval of the Chief Human Resources Officer (CHRO).

All employees must ensure that the disclosures clearly inform the Client, the general nature and sources of conflict of interest. Such disclosure must include sufficient detail to enable the Client to make an informed decision with respect to the service, in the context of which the conflict of interest has arisen. The Designated Employees must remain independent and neutral in the performance of their duties and responsibilities. Further, the Designated Employees should not make any financial gain, or avoid a financial loss, at the expense of the Clients, unless an appropriate disclosure of such gains in form of fees / charges / margin profits charged by the 360 ONE Group or associates is also made to the said Clients.

The above mentioned disclosures shall be included in the offer/disclosure documents including Scheme Information Document, Private Placement Memorandum, PMS Disclosure Document, Term Sheets, engagement letters and any updates / presentations.

The disclosure(s) would include the mode and manner of charges which may be levied to a Client, as applicable to concerning business within the 360 ONE Group and would be similar to manner and style, as below:

General Disclosure:

360 ONE WAM Ltd and its group, associate and subsidiary companies are engaged in providing various financial services and for the said services (including the service for acquiring and sourcing the securities acquired/advised) the said companies may earn fees or remuneration in form of arranger fees, distribution fees, referral fees, advisory fees, management fees, trustee fees, commission, brokerage, transaction charges, underwriting charges, margin profits, issue management fees and other fees.

The trades under the scheme / portfolio managed may be done through IIFL Securities Limited and/or a broking company within the 360 ONE Group.

Additional Disclosure for asset management / portfolio management / advisory business:

360 ONE Group has other company / business units with independent research teams separated by Chinese walls, and therefore may, at times, have different or contrary views on dealing in securities.

The scheme / portfolio may also invest in securities of 360 ONE Group and also transact in securities with entities of 360 ONE Group as counter party.

Additional Disclosure for investment advisory business:

With respect to the securities advised, [advising entity] is holding securities.

CONFLICTS OF INTEREST POLICY APPLICABLE FOR PRODUCTS OF IIFL AMC

IIFL AMC should manage the asset management business independently and should keep an arm's length relationship with the associate companies of 360 ONE Group.

The investment decisions pertaining to the schemes of IIFL Mutual Fund and IIFL Alternative Investment Funds should be in accordance with the investment objectives of the relevant schemes and not the investment objectives of 360 ONE Group.

Transaction with Associate Entities of IIFL AMC: IIFL AMC shall maintain a consolidated list of all related parties / Associates (as applicable) and services used across the group. The respective Compliance officer shall maintain the list of applicable associate companies as per the Mutual fund and Alternative Investment Fund Regulations.

- **Alternative Investment Funds:** IIFL AMC shall make assessments of whether the services obtained from associate companies are at arms-length and comparable to those offered by the market; The compliance officer shall ensure requisite disclosures under applicable Regulations before entering into transaction with Associates are in place. The disclosure in Offer document(s) or Disclosure Document to be provided for transactions with related parties / associates to enable investors to take informed decision for investing in Scheme. It is clarified that the Investment Manager may decide AIF schemes to invest in Target entities / investee

companies in which the existing AIF Schemes, related parties, Associates or employees (collectively referred as Interested Parties) have existing investments or other interests on the same or different terms. In such cases, there could be a possible conflict between the interests of the AIF Scheme and Interested Parties. The Investment Manager to take adequate care that such investments are not on terms inferior to the terms of the Interested Parties. Further, the scheme may make such investments, if the deal is done as per valuation carried out by an independent valuation agency or if the investment is being done along with other investors on arm's length basis. Inter-scheme investments – while being at arms-length - will be governed by the AMC's internal policies and will not be approved by the CRAB.

- **Mutual Funds:** Pursuant to Regulation 24 (B) of SEBI Mutual Fund Regulations, 1996, 360 ONE AMC ensures that there is no material conflict of interest across different activities and in the absence of conflict of interest shall be disclosed to the trustees and unit holders in scheme information document and statement of additional information. In case there are unavoidable conflict of interest situations, it shall satisfy itself that disclosures are made of source of conflict, potential 'material risk or damage' to investor interests and detailed parameters for the same. Investment of schemes assets in associates should be at arm's length, with proper rationale, within the limits prescribed under SEBI (Mutual Funds) Regulations, 1996.

Investments in Associate Companies:

No mutual fund scheme shall make any investment in—

- (a) any unlisted security of an associate or group company of the sponsor; or
- (b) any security issued by way of private placement by an associate or group company of the sponsor; or
- (c) the listed securities of group companies of the sponsor which is in excess of 25 per cent of the net assets

Trustees shall review all transactions of the Mutual Fund with the associates as defined below on a regular basis and ensure that Regulations are complied with.

Inter-scheme investments – while being at arms length - will be governed by the AMC's internal policies and will not be approved by the CRAB.

Portfolio Management Services:

As a Portfolio Manager, 360 ONE AMC / 360 ONE Wealth Portfolio Managers Ltd may execute the trades through IIFL Wealth Distribution Services (IIFLWDSL) Ltd as a broker to execute the transactions for clients of IIFL AMC and IIFL Wealth Management Limited shall receive brokerage/commission for the same. The business through each group company should be limited to 20% of brokerage paid.

Apart from above, investment may be made in securities of associates & group companies. Since these are all unlisted entities at present, no such investment can be made in Discretionary PMS portfolios, and for Non-Discretionary PMS (NDPMS), this is limited to 25% including all investments in unlisted entities. investment transaction may be done with 360 ONE AMC, its associates and group companies as counterparties and 360 ONE AMC, its associates may receive various forms of remuneration linked to the transactions done in-connection with trades of Portfolio Management Services offered to the Client.

Appropriate disclosure shall be provided to the client.

Version no.	Effective Date	Remark
V1	December 2019	New Policy

V2	May 2021	Updation of Quorum for CRAB and Annual review of database
V3	April 2022	Minor changes wrt PMS to reflect regulatory changes
V4	April 2023	<ul style="list-style-type: none"> • Change of name of IIFL Wealth group to 360 ONE Group and IIFL Wealth Management Ltd to 360 ONE WAM Ltd • Committee approval by simple majority instead of COO + any 2 members • Deletion of provisions relating to disclosure of interest by designated employees in Conflict of Interest database and addition of employees obligation to disclose conflict of interest with respect to any transactions
V5	October 2023	<p>Addition of the following section under Section 11, 'Disclosures of Conflict of Interest', mentioning punitive action for non-disclosure of Conflict of interest:</p> <p><i>All employees must ensure that any transactions that are covered by 9(f) above and cross the thresholds mentioned in clauses 5A and 5B are disclosed to the Conflict Resolution Advisory Board (CRAB). Failure to disclose such transactions will be seen as a breach of code of conduct for the employee and action will be taken accordingly – this might include a warning, impact on performance appraisal, suspension, termination or where the employee has gained personally, recovery of such proceeds from the employee's salary, with the approval of the Chief Human Resources Officer (CHRO).</i></p>