

Confidentiality: Public

Global Conduct Risk Statement

Davies conducts business in an honest and ethical manner. The management of conduct risk is one of the keys to successful delivery of the Group's strategy and objectives towards its customers and other key stakeholder interests. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships, wherever we operate, ensuring conduct risks are managed and dealt with in the most appropriate manner.

To support and promote good governance globally, Davies Group operates a Global Policy Framework made up of global statements, global policies, global policy supplements, and local policies.

This statement forms the top level of our Conduct Risk policy suite.

Purpose

This document sets out Davies' approach to managing conduct risk. Davies Group will uphold all laws relevant to any misconduct in the workplace, within all the jurisdictions in which we conduct business.

Any issues relating to governance, culture and behaviour, inherent and external risk assessment as well as key conduct controls and conduct management information will be reviewed and managed accordingly.

Scope

This statement applies to all directors, officers, employees, consultants, and contractors whether permanent, fixed-term, or temporary, when they are working for, or providing services to, any Davies entity globally. This including those of any Appointed Representative of a Davies entity where this policy applies to the principal firm.

What is Conduct Risk?

Conduct risk is a form of business risk that refers to potential misconduct of individuals associated with a business or its composite entities.

Conduct risk is broadly defined as any action of a company or individual that leads to customer or business detriment or has an adverse impact on effective competition.

There are many principles of conduct risk, the key principles are outlined below.

Values

Davies believes and promotes working in our clients' best interest with the aim to produce positive outcomes and exceed expectations. We provide products and services based on our clients' needs. We maintain efficient and fair engagements by always doing the right thing, and in so doing we uphold the trust of our stakeholders.

Davies values were created by colleagues, central focus groups and our Senior Leadership Team, four core values were identified that reflect our diversity, innovative thinking and adaptive growth that defines our business.

We are Connected

- We are united under one mission
- We believe in the power of Davies to make a difference
- We are greater than the sum of our parts

We are Dynamic

- We readily adapt to the changing environment
- We strive for what's next
- We relentlessly seek more; for our business, our clients, our colleagues and our communities

We are Innovative

- We are solution- focused
- We have an entrepreneurial mindset
- We are empowered to discover new paths

We Succeed Together

- We support each other to grow
- We value different perspectives, ideas and experiences
- We make an impact in our communities

Risk Culture

We recognise that risk is inherent in our business operations and the financial services industry. As a responsible and forward-thinking organisation, we have developed a robust risk management framework that reflects our commitment to delivering sustainable growth, protecting stakeholders' interests, and maintaining the highest standards of governance and compliance. Our risk management philosophy is rooted in a proactive and holistic approach, where risk identification, assessment, mitigation, and monitoring encompass traditional and emerging risks. We acknowledge that taking calculated risks is essential for achieving our strategic objectives, and we aim to strike a balance between innovation and prudence. Our risk appetite is defined by a balanced approach that enables us to achieve our strategic objectives while safeguarding our clients, shareholders, and reputation.

Ethics

Ethical business practices reflect how we will deal with our members and staff. It is reflected throughout our culture values, policies and the way we are expected to behave. Our vision and commitment to fair treatment of customers reflect and reinforce this. We have our customer's best interest at heart and endeavour to provide a first-class customer experience.

Integrity

We understand that the quality of our service has a direct impact on our client's brand integrity. At every point in our business, we actively measure our service and implement best practice. We value integrity, openness, and honesty in everything we do and the people we employ.

Our People

We promote a culture of transparency throughout our business and create working environments that embrace diversity. We ensure that individual and collective worker behaviours reflect this throughout the organisation at all times.

At Davies we ask that all employees identify areas of conduct risk within their activities and work with senior management to implement controls to manage the risk in order to work in our clients' best interests.

Gifts and Entertainment

Davies understands that gifts and entertaining exist and have specific internal policies which provide protection and guidance to employees as to what is regarded as normal and appropriate gifts and hospitality.

Davies ensures charitable donations and sponsorship are legal and ethical under local laws and practices and which are in accordance with Davies internal policies and procedures.

Third Party Relationships

In delivering our products and services to our clients and customers we must necessarily engage with third party suppliers and partners. In doing so, we expect those suppliers / partners to act to the same high standards as Davies.

We therefore ensure that appropriate due diligence is conducted upon third party suppliers / partners before entering into third party business relationships and ensure that the terms upon which such engagements are conducted are transparent and formally detailed in appropriate contractual terms.

Conflicts of Interest

We recognise that conflicts of interests may emerge when conducting business. We therefore proactively identify potential conflicts, ensuring that any conflicts that arise internally or externally are reviewed, assessed, recorded and managed according to the risk they pose and where the explicit conflict rules to which regulated entities within our business are subject to.

Complaints

Any expression of dissatisfaction whether this be from a customer, client, staff, or supplier is treated with the utmost importance. Complaints are investigated robustly and fairly through to resolution and where appropriate in accordance with the explicit complaints handling rules and obligations to which our businesses are subject. We analyse the root causes of all complaints in order to identify opportunities for service improvements, ensuring that future relations and outcomes are of a better standard.

Staff Competency and Training

All members of staff are expected to keep their knowledge of relevant requirements and procedures related to this statement and associated policy suite up to date.

It is the responsibility of each member of staff to ensure that they complete relevant training to maintain their individual competence. Each line manager is responsible for ensuring that their teams have access to, and can complete, such relevant training as their roles require. This is reflected in annual performance review scoring.

Policy Governance and Oversight

Davies is committed to ensuring good corporate governance and internal controls globally, and as part of the global policy framework within Davies, our Group Governance function undertake regular monitoring review of our policies, controls and their effectiveness.

All documents with the Global Policy Framework include requirements to ensure good governance and proper oversight.

Responsibilities

Employees, suppliers, and all other relevant parties whom this statement applies to are invited to familiarise themselves with their responsibilities and ensure these are being adhered to on an on-going basis.

Compliance with Davies Group policies is a mandatory requirement. Deviations or non-compliance with this Policy, including attempts to circumvent the stated policy/process by bypassing or knowingly manipulating the process, system, or data may result in disciplinary action, up to and including termination of employment, civil action and lawsuits, or referral for criminal prosecution, as allowed by local laws.

Queries and Raising Concerns

We welcome any queries or comments in relation to this statement and any such queries regarding the statement can be raised with Group Governance via email to GroupGovernance@davies-group.com.

Should you have any concerns about this statement and its requirements, these can also be raised with Group Governance, alternatively, you can refer to the Global Speak Up policy if it is more appropriate.

Speak-up Notice

All applicable concerns raised in line with the Davies Global Speak Up Policy will be investigated accordingly and inaction by management of a qualifying disclosure will not be tolerated.

We confirm that no Employee will be punished or subjected to any detriment by reason of having made a disclosure in good faith. Any harassment, victimisation or less favourable treatment of any person on such grounds will not be tolerated and will be investigated and escalated accordingly.

Document Control

Version	3
Effective Date	01-Feb-2024
Policy Owner	Group Governance
Approved By	James Heath, Group Chief Risk Officer

This document is subject to annual periodic review and may also be subject to ad hoc review. The latest version of this document will be published on the Group Intranet and available from Group Governance on request.

The review process and audit history for this document is managed on the Group Policy Management Platform. Document review and approval audit history can be provided by Group Governance on request.