



Selector Funds Management Limited

Code of Ethics and Conduct 2021



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CODE OF ETHICS AND CONDUCT

A. Ethical Framework

This Policy outlines the minimum standard expected for all employees of Selector Funds Management Limited ('SFML'). All employees are required to understand and embrace the SFML Corporate Culture which is guided by:

1. *Ethical Conduct*

We act with integrity and value humility. Our dealings with both clients and colleagues are honest and transparent.

2. *Operational Excellence*

We endeavour to exceed client expectations. For us, this means attention to detail, and not settling for the status quo.

3. *Outperformance for Clients*

We are true to label. We employ a consistent approach to long term wealth creation.

We believe that each of the above cannot be viewed independently. By their nature, a focus on Ethical Conduct and Operational Excellence will give rise to Outperformance for Clients over time.

B. Corporate Culture

We believe culture is the central enabler of long-term business success. Culture is established when a business is founded, and it is nurtured by the leadership team who act as its custodian. A healthy business culture becomes the 'North Star' that can be embraced by every team member and across every aspect of the business.

Culture drives both our investment process and the way we run our own business.

Our Corporate Culture is underpinned by a mindset that values learning over knowing – seeking out new ideas, driving innovation, embracing challenges, learning from failure, and improving over time by imagining a better future for our employees and our business.

To support this culture, we encourage a wide range of learning and development opportunities. We believe learning can be more than formal instruction, and our philosophy focuses on providing the right learning, at the right time, in the right way.

Our employees are encouraged to establish individual career goals and seek education options to enhance and accelerate their own pathway, at the same time as creating new and unique skillsets that do not currently exist in the business.

Our culture is supported by our “triple check” philosophy. We operate a ‘buddy’ system across all workflows from daily reconciliation to portfolio management. This facilitates business capacity, redundancy, and the ability to “triple check”.

The “triple check” philosophy is a commonsense approach employed by many small business owners. It is a process of checking once, checking twice, and checking a third time. Not all errors will be eliminated, but many will. We believe this promotes an efficient learning curve across the entire business, from graduate to grizzled portfolio manager.

C. Loyalty to Clients

We must:

1. Place client interests before our own.
2. Preserve the confidentiality of information communicated by clients within the scope of our Manager–client relationship.
3. Refuse to participate in any business relationship or accept any gift that could reasonably be expected to affect our independence, objectivity, or loyalty to clients.¹

D. Investment Process and Actions

We must:

1. Use reasonable care and prudent judgment when managing client assets.
2. Not engage in practices designed to distort prices or artificially inflate trading volume with the intent to mislead market participants.
3. Deal fairly and objectively with all clients when providing investment information, making investment recommendations, or taking investment action.
4. Have a reasonable and adequate basis for investment decisions.
5. When managing a portfolio or pooled fund according to a specific mandate, strategy, or style:
 - a. Take only investment actions that are consistent with the stated objectives and constraints of that portfolio or funds.
 - b. Provide adequate disclosures and information so investors can consider whether any proposed changes in the investment style or strategy meet their investment needs.
6. When managing separate accounts and before providing investment advice or taking investment action on behalf of the client:
 - a. Evaluate and understand the client’s investment objectives, tolerance for risk, time horizon, liquidity needs, financial constraints, any unique circumstances (including

¹ For the avoidance of doubt, gifts over the value of \$100 cannot be accepted without board approval.

tax considerations, legal or regulatory constraints, etc.), and any other relevant information that would affect investment policy.

- b. Determine that an investment is suitable to a client's financial situation.

E. Trading

We must:

1. Not act or cause others to act on material non-public information that could affect the value of a publicly traded investment.
2. Give priority to investments made on behalf of the client over those that benefit our own interests.
3. Use commissions generated from client trades to pay for only investment-related products or services that directly assist us in our investment decision making process, and not in the management of the firm.
4. Maximize client portfolio value by seeking best execution for all client transactions.
5. Establish and adhere to policies that ensure fair and equitable trade allocation among client accounts.

F. Risk Management, Compliance, and Support

We must:

1. Develop and maintain policies and procedures to ensure that our activities comply with the provisions of this Policy and all applicable legal and regulatory requirements.
2. Appoint a Compliance Officer responsible for administering the policies and procedures and for investigating complaints regarding our conduct and that of our people.
3. Ensure that portfolio information provided to clients by us is accurate and complete and arrange for independent third-party confirmation or review of such information.
4. Maintain records for an appropriate period of time in an easily accessible format.
5. Employ qualified staff and sufficient human and technological resources to thoroughly investigate, analyse, implement, and monitor investment decisions and actions.
6. Establish a business-continuity plan to address disaster recovery or periodic disruptions of the financial markets.
7. Establish a firmwide risk management process that identifies, measures, and manages the risk position of the Manager and its investments, including the sources, nature, and degree of risk exposure.

G. Performance and Valuation

We must:

1. Present performance information that is fair, accurate, relevant, timely, and complete. We must not misrepresent the performance of individual portfolios or our company.
2. Use fair-market prices to value client holdings and apply, in good faith, methods to determine the fair value of any securities for which no independent, third-party market quotation is readily available.

H. Disclosures

We must:

1. Communicate with clients on an ongoing and timely basis.
2. Ensure that disclosures are truthful, accurate, complete, and understandable and are presented in a format that communicates the information effectively.
3. Include any material facts when making disclosures or providing information to clients regarding themselves, their personnel, investments, or the investment process.
4. Disclose the following:
 - a. Conflicts of interests generated by any relationships with brokers or other entities, other client accounts, fee structures, or other matters.
 - b. Regulatory or disciplinary action taken against us or our personnel related to professional conduct.
 - c. The investment process, including information regarding lock-up periods, strategies, risk factors, and use of derivatives and leverage.
 - d. Management fees and other investment costs charged to investors, including what costs are included in the fees and the methodologies for determining fees and costs.
 - e. The amount of any soft or bundled commissions, the goods and/or services received in return, and how those goods and/or services benefit the client.
 - f. The performance of clients' investments on a regular and timely basis.
 - g. Valuation methods used to make investment decisions and value client holdings.
 - h. Shareholder voting policies.
 - i. Trade allocation policies.
 - j. Results of the review or audit of the fund or account.
 - k. Significant personnel or organizational changes that have occurred at the Manager.
 - l. Risk management processes.