

**FIRST ABU DHABI BANK UK**  
**SUMMARY OF CONFLICTS OF INTEREST POLICY**  
**November 2020**

**1. INTRODUCTION**

- 1.1 A “conflict of interest” is a set of circumstances that creates a risk that an individual’s ability to apply judgement or act in one role is, or could be, impaired or influenced by another loyalty or interest. A conflict may be actual, potential or even perceived.
- 1.2 At First Abu Dhabi Bank United Kingdom Branch (“FAB UK” or “the Branch”), we maintain and implement a framework around the identification, documentation, escalation, and management of conflicts and this is a summary of the policy and arrangements we have in place.
- 1.3 Failure to deal with conflicts of interest in a timely manner can potentially result in considerable harm to FAB UK’s reputation, damage relationships with our clients and have adverse consequences for them, the Branch itself, staff, and the integrity of the market. Managing these conflicts is fundamental to running our business in a way that safeguards our clients’ interests.

**2. CONFLICTS MANAGEMENT FRAMEWORK**

- 2.1 FAB UK will take all appropriate steps to identify and to prevent or manage all conflicts of interest that may arise between:
  - (i) the interests of FAB UK or persons connected to FAB UK including managers, staff or any person directly or indirectly linked to them by control, and a client or clients;
  - (ii) the differing interests of two or more of FAB UK’s clients, or within a group of clients; and
  - (iii) through FAB UK’s membership of the FAB Group, i.e. as a result of the structure and business activities of other members of the Group.
- 2.2 FAB UK utilises a number of means (which may be used individually or in combination) to manage conflicts of interest including:
  - 2.2.1 Organisational arrangements including compliance oversight, committee governance, the segregation of functions and duties, and a Conflicts of Interest Register;
  - 2.2.2 Policies, procedures, systems and controls including those relating to information barriers/Chinese walls, inducements, outside business interests, disclosures to clients or client consent (if appropriate), personal account dealing, and gifts and hospitality; and
  - 2.2.3 The avoidance of the service, activity or transaction giving rise to the conflict, where it cannot be managed or prevented effectively through other means.

**3. SUMMARY OF POLICY STATEMENTS**

- 3.1 FAB UK must:
  - 3.1.1 Define clear roles and responsibilities to prevent or limit any member of staff from exercising inappropriate influence over the way in which staff carry out investment or ancillary services;
  - 3.1.2 Provide separate supervision of staff whose principal functions involve carrying out activities on behalf of or providing services to clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of FAB UK;
  - 3.1.3 Review and deal with conflicts appropriately and where they cannot be approved or resolved, refrain from proceeding with the proposed service, transaction or activity,

- consider making a disclosure to the client if appropriate, or remove the conflicted staff member from the decision-making process where such a conflict has been identified;
- 3.1.4 Maintain a conflicts register that covers all identified circumstances which constitute or may constitute a conflict of interest, to be reviewed at least annually along with this policy;
  - 3.1.5 Provide specific conflicts-related training in respect of this policy; and
  - 3.1.6 Ensure that written reports on conflicts are provided to senior management on a regular basis, and at least annually, including management information on conflicts and any remedial actions that are/were necessary.
- 3.2 Senior management at FAB UK must sponsor and encourage a culture that emphasises the importance of the ethical treatment of clients and the fair handling of conflicts of interest.
- 3.3 All business or function heads must review annually or more regularly any conflicts reported to them to ensure that they continue to be managed in accordance with any agreed actions and mitigants.
- 3.4 All members of FAB UK staff must act with integrity, independence and objectivity, exercising good judgment and discretion when discharging their responsibilities and:
- 3.4.1 Avoid situations including decision-making that may give rise to conflicts of interest;
  - 3.4.2 Manage work-related information on a “need to know” basis, respecting information barriers and duties of confidentiality at all times;
  - 3.4.3 Actively identify, assess, manage/mitigate, and document any conflicts in their function and activities;
  - 3.4.4 Make appropriate disclosures, including personal relationships and connected persons, financial relationships or matters, and any changes to these that may give rise to a conflict of interest, all outside business interests, relevant gifts and hospitality, and personal transactions per the Branch’s policies; and
  - 3.4.5 Seek approval for all conflicts, whether actual or potential.