

# ERM Global Policy

## Conflict of Interest for Investments



### 1.0 PURPOSE

The purpose of this policy is to provide additional policy guidance on conflicts of interest under the [ERM Code of Business Conduct and Ethics](#) ("Code of Conduct").

### 2.0 SCOPE

The term "Employee" or "Employees" is specifically defined, for purposes of this policy, as: any personnel hired directly by ERM (regardless of status classification of full-time, part-time, temporary, contract, etc.); interns (even if an intern does not receive payment by ERM); employees of other companies seconded into ERM, and any ERM employee seconded to a non-ERM company. The term "Agent" or "Agents" is specifically defined as any member of any ERM entity board, any officer of any ERM entity, hired personnel, consultants, intermediaries, lobbyists, agents, representatives, independent contractors, subcontractors, and any others who act on ERM's behalf.

This policy applies worldwide to all ERM entities, all Employees and all ERM Agents.

### 3.0 POLICY

ERM is committed to avoiding even the appearance of impropriety or conflict of interest related to our operations. As such:

- 3.1** No Employee of ERM shall invest in an Agent, subcontractor, supplier or vendor if the Employee has any involvement in the selection, assessment, or negotiations with the supplier or vendor, or if you supervise anyone who has such responsibility.
- 3.2** As a general rule, no Employee shall invest in an ERM client if you are responsible for dealings with that client, have access to confidential information on the client, or supervise anyone with such responsibility.
- 3.3** Certain legal exceptions to the prohibition in Section 3.2 of this policy exist for "passive investments" in public companies via certain investment vehicles. Certain "passive" investment vehicles do not provide for management or exercise of judgment by an Employee, and most often do not present a conflict of interest. Examples of "passive" investments that routinely are an exception to Section 3.2 include mutual funds, 401(k) funds, pension funds, or index portfolios. See also

Section 4.2 of the Code of Conduct regarding "passive" investments as well as [ERM's Insider Trading Policy](#).

- 3.4** If you are concerned regarding whether or not an investment falls under Sections 3.2 or 3.3 of this policy, contact the ERM General Counsel.

### 4.0 PROCEDURE

None

#### ERM Global Policy Manual Administration

**Policy Title:** Conflict of Interest for Investments

**Policy Number:** 4

**Revision Number:** 2

**Effective Date of this Version:** 15 January 2019

**Original Effective Date:** 20 August 2010

**Original Approval:** On file with the Legal Department.

**Policy Description:** Policy to provide guidance on conflicts of interest under the ERM Code of Business Conduct and Ethics.

**Authority to Amend this Policy:** Chief Compliance Officer

**Authority to Waive this Policy:** None

**Policy Review Cycle:** 3 years from Effective Date of this version

**Docket Responsibility for Review Cycle:** Chief Compliance Officer