

## **Conflicts of Interest Policy – Morgan Stanley Wealth Management Australia (“MSWMA”) investment research reports (“Research”)**

### **Introduction**

MSWMA produces Research on managed funds and exchange traded products which are added to, and removed from:

- i. The Recommended List – a list of products which MSWMA has a preference for;
- ii. The Focus List – a list of products which MSWMA has high conviction in; and
- iii. Model portfolios.

MSWMA’s analysts are not members of Morgan Stanley’s Global Research Department, which is a separate division of the Firm: [Disclosures | Morgan Stanley](#).

### **Purpose**

The purpose of the Conflicts of Interest Policy (the “Policy”) is to provide:

- an explanation of the key conflicts of interest that may arise when Research is produced by MSWMA, and
- an overview of the measures in place to aim for Research objectivity.

### **Key conflicts of interest**

As with most Research providers, various conflicts of interest could arise during the production of Research.

The key conflicts of interest which may arise include:

- The promise or offer of positive Research in exchange for business (such as playing a role in transactions like Initial Public Offerings or corporate advisory functions);
- Research being used as a tool to promote an increase in investment transaction activity through MSWMA;
- Personal trading or outside business interests of employees who contribute to Research, in products which may be the subject of Research;
- Personal compensation paid from product issuers to employees who contribute to Research; and
- Gifts or entertainment given by product issuers and received by MSWMA staff who contribute to Research.

### **Measures to aim for Research objectivity**

MSWMA and its employees are governed by the [Morgan Stanley Code of Conduct](#) (the “Code”), as well as a Global Conflicts of Interest Policy. The Code stipulates that we place our clients’ interests first and avoid conflicts between their interests and ours.

The following measures are in place to aim for the objectivity of Research:

- MSWMA’s internal policies prohibit employees from directly or indirectly offering, or giving explicit or implicit promises of Research coverage or favourable Research for the receipt of business or compensation.
- Controls to prevent the flow of information between employees who contribute to Research and those who do not.

- Only employees within the MSWMA Investment Manager Analysis team are permitted to contribute to Research; not those in other teams such as Investment Banking or other Product teams.
- Employees who contribute to Research are not remunerated based on revenue received from product issuers.
- MSWMA employees are subject to the Morgan Stanley Employee Trading, Investing and Outside Business Activities Policy. This policy requires employees to pre-clear their personal trades, and prohibits employees who contribute to Research from personally trading ahead of Research being distributed. Under this policy, all employees are also required to disclose and obtain approval for outside business interests.
- MSWMA complies with ASIC Regulatory Guide 264: Conflicted and Other Banned Remuneration, and has a Compliance Policy which prohibits gifts or entertainment being accepted from Product Issuers where the gift or entertainment may cause a conflict of interest in relation to the production of Research.
- MSWMA provides training for analysts and other employees with whom analysts interact on the identification of potential conflicts.
- Prior to publication, all research reports are reviewed by a supervisory analyst. The purpose of these reviews is to confirm compliance with the Firm's editorial guidelines and regulatory requirements, including the requirement that research be clear, fair and not misleading.

### **Further questions**

If you have questions about this Policy, Research, or MSWMA more generally, please reach out to your Financial Adviser.

### ***Important information***

*This Policy is written by Morgan Stanley Wealth Management Australia Pty Ltd (ABN 19 009 145 555, AFSL 240813), a Participant of ASX Group.*