

Policy on Conflicts of Interest

In the field of Investment Research

1) Background

In accordance with the principles of the Market Abuse Directive, Hargreaves Lansdown plc and its subsidiaries (referred to as 'we' and 'our' in this policy) has decided to establish a policy on the management of conflicts of interest related to its publication and distribution of investment research.

Application

This policy will cover all investment research for both equities and non equities produced for customers and contained in any kind of medium. When we publish research it accurately represents our own views, and we are not influenced by any conflict of interest. As a matter of good practice we have decided to publish our conflict of interest policy on investment research.

Responsibility

Our senior management will be responsible for ensuring that our systems, controls and procedures are robust and adequate to identify and manage any conflict of interest which might arise in relation to its investment research. Our senior management will also ensure that all the arrangements made under this policy operate effectively.

2) Hargreaves Lansdown Policy

a) General

In setting up this policy Hargreaves Lansdown followed the guidance from the Financial Services Authority as contained in SYSC10.

- This policy takes into consideration our structure and the nature of the business which we conduct with our clients.

- Our investment research mainly concerns Regulated Collective Schemes (Unit Trusts and OEICs) and equities.

- Our investment research is directed at Retail Clients as defined in COBS 3.4.1.

b) Our research publications and our research process

Our investment research about regulated collective investment schemes can be found in different publications such as our Investment Times Magazine, and the section of our website dedicated to research.

We have both a team of qualitative and quantitative analysts who are dedicated to investment research. The inputs of both of these teams are essential to deliver high quality research about a broad range of funds, and to select the best funds available on the market.

Our investment research about equities contained within 'Penny Share Prophet' and 'AIM Insight' is conducted by market professionals that we have commissioned. The market professionals are required to disclose within the publication all relationships and circumstances that may reasonably be expected to impair the objectivity of research recommendations they prepare. Additionally they are required to disclose any financial interest they may have in any investment which

is the subject of a research recommendation. Investment Research on equities contained within 'Inside the City' is written by our own equity research team.

Employees of Hargreaves Lansdown involved in the production of research on equities are prohibited from affecting own account transactions in advance of its publication and distribution.

c) Identification of conflict of interest

Hargreaves Lansdown plc has procedures in place in order to prevent or manage conflict of interest. These procedures are regularly reviewed in order to ensure that they reflect any change that might occur due to the impact of new regulations or any other circumstances.

Our procedures

We have established two specific procedures (personal account dealing, and gift procedures) that the employees of Hargreaves Lansdown must follow in order to prevent any conflict of interest. The gift procedures ensure that any employees do not offer, give, solicit or accept an inducement if it is likely to conflict to a material extent with any duty that the firm owes to its customers.

Our policy of independence

There is total independence between our remuneration and the content of our investment research. Our analysts rely on a policy of independence from the fund management companies when they write articles about regulated collective investment schemes. When we provide our 'view' about regulated collective investment schemes or equities we are not influenced by any external factors.

d) Remuneration and supervision of analysts

The remuneration of our analysts does not differ from the remuneration policy that applies to the other employees of Hargreaves Lansdown plc; remuneration is based on the profitability of Hargreaves Lansdown as well as individual performance. Our analysts' remuneration is not linked in any way to specific transactions, or to recommendations contained in investment research. Our analysts' remuneration is structured so as not to create any incentive which is inconsistent with the provision of a fair assessment of the subject matter of the investment research.

The employees involved in the day to day supervision of our analysts can not be considered as having responsibilities that might conflict with the interest of our clients.

e) Editorial control

Hargreaves Lansdown plc has the editorial control of the publication available through its research on regulated collective investment schemes. We have also the editorial control on research about equities which we commission other experts to carry out.

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