



Code of Conduct Governing Conflicts of Interest in the Selection, Determination and Maintenance of the MarketGrader Indexes

PURPOSE

The Code of Conduct is designed to provide specific and common-sense guidelines for all employees involved in the stock ratings process and the construction of indices; and to meet or exceed all ethical standards that eliminate conflicts of interest and ensure product integrity. To protect the integrity and independence of benchmark determinations, designated staff (compliance) will document, implement and enforce policies and procedures for the identification, disclosure, management, mitigation or avoidance of conflicts of interest.

DEFINITIONS OF CONFLICTS OF INTEREST

A conflict of interest occurs when competing obligations, interests or motivations result in, or are likely to result in, material risk of damage to the interests of another person or entity.

The types of conflicts of interest that may occur and which may carry a material risk of damage to MarketGrader (MG) clients, Stakeholders and the general investing public include, but are not limited to, circumstances in which MG or any employee, affiliate or person linked to MG will benefit financially, either on a personal basis from remuneration or transactions entered into, or on an inter-company basis from increased revenues from the sale or listing of index related products; is motivated or incentivized to favor MG commercial interests or the interests of the clients in other business areas over the interests of MG and its clients (for example, by offering clients influence over index administration or determination); deals with the same clients for Index purposes as MG affiliates; is providing oversight of the Index business when they also hold a commercial role within MG or an affiliate; is physically located near to employees involved in commercial roles who are not involved in the Benchmark determination process; is involved in the offer or sale of any Index related products and is also involved in the Benchmark determination process; receives from or gives to a business partner any gift, meal or entertainment that may be intended to, or appear to be intended to influence business decisions; has personal interests or connections or business connections that may compromise MG's performance of its functions; engages with third parties as part of the benchmark determination process that may be incentivized or motivated financially, or otherwise, from the Indices or related products.

HOW THIS CODE OF CONDUCT APPLIES TO INDEX COMMITTEE MEMBERS

Members of the Indexing Committee as employees are required to comply with this policy and all other applicable MG policies. They are expected to act in the interests of MG when dealing with matters for which they are responsible. This includes making decisions on the operation and determination of indices, and management of conflicts of interest. If a committee member faces a conflict of interest, i.e. involved in a commercial arrangement that conflicts with the index administration business, they must promptly declare this to the committee chairman, legal or compliance (as appropriate). Members with a commercial role in the Index determination process will have restricted voting rights in relation to methodology-related decisions and will be required to substantiate statements of market or internal practice in connection with such decisions. On appointment to the Indexing Committee and on an annual basis, members will be required to attest to this policy and be required to immediately notify the committee chairperson, legal or compliance (as appropriate) if they become aware of any conflicts of interest.

It is essential that actual and potential conflicts of interest in MG are identified and managed. Anyone who identifies a new conflict of interest must immediately report it to MG's management, legal or compliance. MG will conduct internal reviews no less than twice per calendar year to ensure that actual and potential conflicts of interest are identified on an ongoing basis and managed in compliance with this policy and update this policy as necessary. The identification and management of conflicts are part of the ongoing MG compliance monitoring program.

It is best to avoid conflicts of interest altogether. However, if an employee cannot avoid one or is not sure whether their situation presents a conflict, they are instructed to discuss it immediately with their manager. The power of disclosure cannot be overstated.

CONFLICT OF INTEREST MANAGEMENT

Each conflict of interest identified must be managed and monitored. The following types of procedures and measures may be appropriate when managing conflicts of interest:

Control of Information: Preventing/controlling the exchange of information between opposing sides of a conflict of interest (e.g. by physically segregating such employees). MG employees are physically and logistically separated from MG employees and functions where they may be on opposing sides of a conflict.

Removal of remuneration links: Removing direct links between the remuneration of individuals on opposite sides of a conflict of interest, or remuneration links that may influence an individual to favor a particular product, service or customer. MG employees' remuneration is not directly or indirectly linked to the levels or performance of any of MG's indices. While some MG employees' remuneration is tied to amounts of assets under management, which may in turn be linked to the performance of one of MG's indices, index, policies and procedures have been adopted to ensure that separation is maintained between index administration and pricing and to ensure that index methodologies are not changed in order to try and improve the performance of any index.

Distinct Separation of Duties: Preventing/controlling the simultaneous/sequential involvement of individuals in separate tasks or services that may present conflicts of interest. MG employees involved in the administration of the indices are not involved in the offer or sale of any benchmark related products and policies and procedures have been adopted to ensure the "separateness" of pricing discussions.

Personal Account Dealing: All employees involved in the administration of the Index are bound by the requirements under MG's personal trading policy relating to MG data benchmarks and indices. All transactions undertaken are monitored on a regular basis by compliance.

Business Gifts, Meals and Entertainment: All employees involved in the administration of the Index are bound by the requirements under MG's business gifts, meals and entertainment policy. All disclosures are monitored on submission by compliance.

Training: Employees must participate annually in continuing education re: Code of Business Conduct which addresses Conflicts of Interest and Outside Business Activities.

Disclosure: Where the measures implemented to manage conflicts described above are insufficient to ensure, with reasonable confidence, that material risk of damage will be prevented, then the nature of the conflicts of interest arising must be disclosed as appropriate and entered into a conflicts registry

RECORDS

The Conflicts Register and Logs are maintained by MG's Compliance Officer. Conflict Logs are used to record: conflicts and potential conflict situations; the appropriate mitigation strategy in



each case; ownership of the ongoing management of the conflict, and where appropriate, an assessment of how effective the mitigation strategy proves. Regular reviews of conflicts situations will be undertaken to maintain effective and appropriate management. MG retains all versions of this policy management information provided in relation to the conflicts procedures, including any breaches of the policy and subsequent remedial action, and all versions of the conflicts log. All the other records mentioned above will be kept for a minimum of five years.

VIOLATIONS & ACCOUNTABILITY

Any violation of law, code of business conduct, and MG policies merits an immediate response from management. Should a violation be identified through compliance monitoring or from reports made by employees, and deemed unacceptable by management, termination of employment may result. Employees can report a violation directly to HR, compliance or legal.

This conflicts of interest policy is an explicit product of MG's senior management and is subject to approval by MG's managing principal and Chief Compliance Officer annually. This Policy may be subject to additional review and revision based on business and/or regulatory changes.

Prohibition of Corruption and Bribery

No MG employee can solicit, give, receive, or promise any "item of value," either directly or indirectly, with the intent of helping the firm obtain an unfair advantage. This includes offering, providing, or receiving excessive gifts and entertainment as determined by MG's business gifts, meals & entertainment policy.

Whistleblower

Reporting unethical conduct is part of all employees' fiduciary duty and applies to all employees, as well as outside parties. All employees are expected to make such referrals in good faith and not for personal retribution. MG for its part, has adopted an anti-retaliation stance that ensures all reports will be evaluated on their merit without prejudice.

If an employee or outside party suspects or knows of unethical behavior or non-compliance with firm policy, they must report it to the firm's compliance officer. It is MG's policy to keep confidential all such reporting. The compliance officer, immediately upon receipt of such a report, will inform the firm's operating principal and legal counsel in order to determine how to



proceed. Depending on the gravity of the report, MG at its discretion, may employ outside counsel to conduct discovery and recommend further action to be taken as necessary i.e criminal referral. If such reporting results in the firm discovering fraud or other such actions that would have resulted in losses to the firm or a client, a financial sum, as determined by the board, will be awarded to the person/s responsible for the findings. Additionally, the firm's compliance officer will immediately address whatever operational shortcomings caused the lapse in compliance or fraudulent activity in order to eliminate, to the extent possible, any further recurrence.