



CONFLICTS OF INTEREST POLICY

06 August 2021

Calamatta Cuschieri Investment Services Ltd is part of the Calamatta Cuschieri Group. Registered Office: Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta. Calamatta Cuschieri Investment Services Ltd is licensed to conduct investment services by the Malta Financial Services Authority (MFSA) and is a founding member of the Malta Stock Exchange. Company No: 13729, Vat No 13219224.

CONFLICTS OF INTEREST POLICY

1. Introduction

In accordance with MiFID II requirements, the MFSA Investment Services Rules for Investment Services Providers, the MFSA Conduct of Business Rulebook and guidelines, and any other applicable laws and regulations, Calamatta Cuschieri Investment Services Ltd (*hereinafter referred to as “the Company”, “CCIS”, “we”, “our”, or “us”*) has its own Conflicts of Interest Policy (“the Policy”). The Policy sets out the identification, monitoring and managing of conflicts of interest that may arise between our interests and those of our clients, or between our different clients or even a combination of these.

A conflict of interest is a situation in which there is apparent, potential or actual competing professional or personal interests. Such competing interests can make it difficult for the Company and/or its employees to fulfil duties impartially and to ensure the client’s best interest is upheld.

A conflict of interest may exist even if no unethical or improper act results from it. The Company’s primary objective is to have in place policies and procedures that prevent such conflicts of interest and where these are unavoidable, manage and mitigate risks of, or actual, conflicts of interest.

CCIS is committed to take all reasonable steps to identify, monitor and manage all apparent, actual and potential conflicts of interest that can arise between us and our clients or between our clients.

2. Scope of Policy

CCIS is licensed to carry out reception and transmission of orders, execution of orders, provide investment advice and to offer in underwriting and placing of Financial Instruments with or without firm commitment basis to Retail and Professional clients and Eligible counterparties. The Company provides portfolio management services to Retail and Professional Clients.

The Company is also authorised to deal on its own account and to offer sponsoring stockbroking services to corporate and institutional clients to Companies listing on the Malta Stock Exchange.

This may make us privy to confidential and price sensitive information and so we adopt a conflicts management system between the services we offer. This Policy outlines how situations of conflicts are addressed and the Company’s policy to mitigate and manage conflict under the different situations.

The purpose of this document is to provide our clients with appropriate information in relation to the policies we have in place to manage conflicts of interest.

3. Dealing

CC is licensed to deal in instruments on its own account. This means that CC may trade against its proprietary capital and as a result conclude transactions in one or more instruments for its own account. Hence CC may have positions in instruments which are traded by customers and may have trading interests or otherwise deal with customers as counterparty.

If an order is executed on behalf of a client with CC as counterparty through a trading system that facilitates anonymous trading CC may not be required to give the client notice of the fact that the client's counterparty was CC itself. Even in such cases, however, CC is required to take all reasonable steps to obtain the best possible results for its clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of client orders.

4. Employee dealing

It is natural for Directors, Officers and Employees of a financial services firm, such as ours, to make investments for their own account. We recognise that this can create a conflict with the duties owed to our clients. Therefore all of our Directors, Officers and Employees and Connected Persons are required to comply with our Staff Dealing Policy which amongst other matters affirms that since Calamatta Cuschieri employees are in positions of trust, they are to maintain the trust and respect of clients and of the public at large. In this regard, employees are required, in undertaking personal investment activities and other business related ventures, to ensure that their own reputations are not put at risk, and that the image and reputation of Calamatta Cuschieri is not called into question. Furthermore this Policy requires that:

- a) They must not transact in publicly traded securities for which prior authorisation is required in writing without obtaining such prior authorisation; and
- b) The prior authorisation to trade securities does not authorise or condone a trade in securities that may contravene securities law, such as trading with material information not generally disclosed.

5. Gifts

The Company's employees may occasionally give gifts or receive them from clients, companies or other institutions in recognition of services provided. CCIS ensures that these gifts:

- are reasonable and proportional;
- do not constitute an inducement for preferential treatment with respect to the management of investments or in relation to any other service given by the Company
- are not excessive; and
- do not create an obligation or debt.

For the above reasons, the Company's Anti-bribery & Corruption Policy strictly ("ABC Policy") prohibits acceptance of gifts which exceed €50. The ABC Policy permits that gifts are accepted, provided that the value does not exceed €50 and that they are to be reported to the MLRO and listed on the Gift Register. Certain positions may involve entertainment for business reasons and, as a generally accepted business practice, are unlikely to be interpreted as an inducement or payment. Acceptable gifts of this nature may include invitations to dinners, events or functions. Such gifts should still respect the limits imposed by the Anti-bribery and Corruption Policy.

6. Inducements

Calamatta Cuschieri Investment Services is a non-independent investment services firm. We have relationships with many third parties, such as product providers, who remunerate us via commission. We have processes in place to ensure that fees and/or non-monetary benefits provided by third parties do not impair our duty to act in your best interests. All costs and charges are disclosed pre-trade and post-trade. A separate disclosure of all costs and charges including effect on returns is issued on an annual basis. Receipts from third parties will also be included in this annual disclosure statement. The Company's Best Execution Policy ensures that the clients' interests are prioritised and protected in situations where conflict may arise.

To eliminate any influence in our research, our analysts are prohibited from accepting inducements in return for favourable research. Research is a paid service by the Firm and all published material is available at no cost to all clients and on the CC website. Staff employed as analysts are not involved in other areas of business, particularly not servicing clients, and are employed in a specialized unit segregated from other business units, to ensure that no conflict of interest arises.

Due to the nature of their work, our employees are often required to visit the premises of potential and existing corporate clients to satisfy due diligence requirements or for other reasons connected with the provision of services to corporate clients. Our employees are only permitted to accept or provide minor hospitality to or from potential or existing corporate clients.

7. Remuneration

The Company has a Remuneration Policy and a Remuneration Committee in place, promoting effective risk management. The Remuneration Policy is in place to ensure that all employees are fairly and competitively compensated for their work. This will ensure that all employees will safeguard clients' interests and does not expose the Company to excessive risk. The remuneration policy is also designed to attract competent employees and retain them within the company.

8. Dealing for your Account

The Company would like to draw your attention to the fact that when we make recommendations to you or deal for you, we may:

- a) match your order with that of other clients or with our own orders. We may be dealing on our own account and/or on behalf of other clients as well as on your behalf;
- b) have positions or trading interests in the securities mentioned in our research or may buy, sell or offer to make a purchase or sale of such securities from time to time;
- c) recommend that you buy or sell an investment in which we have a position or trading interest.

It must be stated however, that whilst the contemporaneous situations listed above may exist, they do not mean that a conflict of interest exists or has actually arisen, or that your interest as a client is at risk. Adequate segregation of duties between employees and the different units in the Company is designed

to prevent such conflicts from arising and ensuring that in the event a conflict does arise, this is dealt with appropriately.

9. Business Interests and Suitability

Where we provide advice or recommendations we are required to ensure that the transaction is suitable and appropriate for our clients.

However, we or some other person connected with us may have an interest, relationship or arrangement that is material to the service, transaction or investment concerned. This may include matters such as:

- a) The retention of commissions which we receive from a third party;
- b) Recommending that you buy an investment instrument, which we or an affiliated company is managing or representing;
- c) Recommending that you buy or sell an investment in which one of our other customers has given instructions to buy or sell or in which we have a trading interest;
- d) We may deal with you as counterparty;
- e) We may be acting in relation to investments where we are involved in a new issue (such as an Initial Public Offer or Bond Issue), rights issue, takeovers or other similar transactions; and
- f) We may be acting as financial advisor to such issuer.

In addition, our employees may have an interest, relationship or arrangement whereby they hold a power of attorney on behalf of a client or act as a director of a company.

To manage such conflicts, we have procedures in place that require our employees to disregard the interest, relationship or arrangement concerned when acting on your behalf. CCIS delegates the provision of portfolio management services to another Company within the Group, which enhances the segregation between different clients and services offered thereby reducing even the possibility of conflict of interest between clients.

10. Aggregation and Allocation

We may combine (“aggregate”) a transaction for you with orders of other clients.

While CCIS will seek to aggregate orders when this will work overall to the advantage of clients the effect of aggregation may work to your disadvantage in relation to any particular order. When trading, the Company makes the best effort possible to ensure clients are treated fairly and to avoid such situations.

As an example of endeavors to treat clients fairly, CCIS maintains an order allocation policy to provide for the fair allocation of aggregated orders and transactions.

If we make an application on your behalf (as your Nominee services provider) for a new issue of securities, you should be aware that if the allocation is scaled back it will be applied *pro rata* across all clients or in accordance with the Allocation Policy adopted by the Issuer.

11. Research Material

Research analysts are prohibited from managing investments on behalf of clients. Prices quoted on research material or documentation published by CCIS reflect market prices as at the time of publication and will differ from the market pricing as at time of transaction. Any identified conflict, if applicable, will be disclosed in the research material.

12. Accepting engagements

Before accepting a new corporate client, the Company undertakes a due diligence process to determine whether to proceed in providing services to them. This process includes ascertaining whether a conflict of interest may arise. In case a conflict of interest is identified, albeit an unlikely event considering business unit and employee segregation across the different business lines of the Company, this is disclosed immediately and assessed as to how it can be managed and mitigated. Appropriate disclosures would be made as required in the event a conflict of interest is identified.

13. Chinese Walls

We use procedural controls to ensure that where we provide Corporate Finance Advice and services to a corporate client, the individuals working in other areas of the business are restricted from receiving confidential or non-public information. The different business units, reporting lines and employee duties therein are purposely segregated to ensure access to information is limited according to the respective unit and its employees' duties. These arrangements ensure that individuals who need to know information in order to perform their duties are allowed access to the information only when strictly necessary and that no information that is not required to be known is divulged that could put the clients' interests at risk.

14. Offering securities for subscription

When acting for a corporate client who is offering securities for subscription, the employees advising that corporate client are required to act solely in the interests of that corporate client.

15. Review

We will review our Conflicts of Interest Policy regularly, at least annually or whenever a material change occurs that presents a conflict of interest not contemplated in this Policy. The latest Conflict of Interest Policy will be available on our website at all times. For further information, you may contact your advisor on Tel: +356 25688688.