

Timberland Services Ltd.

CONFLICTS OF INTEREST POLICY

DECEMBER 30, 2017

VERSION HISTORY

Updated On	Updated By	Summary of Changes
30 December 2017		Initial Setup

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1 POLICY STATEMENT

This document constitutes Timberland Services Ltd (“**TS**” or the “**Company**”) Conflicts of Interest Policy (the “**Policy**”). The Policy applies to all employees of the Company. It aims to identify and record the circumstances, which constitute or may give rise to a conflict of interest and specifies procedures to be followed and measures to be adopted in order to manage and mitigate such conflicts.

The Company’s Policy is to take all appropriate steps to maintain and operate effective organisational and administrative arrangements to identify, prevent and manage potential and actual conflicts of interest in the Company’s business.

2 POLICY OBJECTIVE

The purpose of this Policy is to detail the conflict of interest management of TS. Specifically, the Company highlights its Policies and procedures in the genesis of potential conflicts, staff training and separation of duties where applicable. Furthermore, an inventory of existing and potential Conflicts of Interest (the “**Conflicts Register**”) shall be maintained.

3 SCOPE

This Policy applies to:

1. Board members;
2. Employees;
3. Clients of the Company; and
4. Between one or more Clients of the Company using the Company’s services.

4 DEFINITIONS

Capitalized terms not otherwise defined herein have the meaning given to them in the Glossary of Terms document. The following defined terms are set-out here for ease of reference of the reader.

“**Board member**” is a member of the Company’s board of directors

“**Client**” means counterparties to or users services that are legal persons who engage with TS on the basis of a contractual relationship for the use of TS’s data repository services.

“**Conflict of interest**”: For the purposes of identifying the types of conflict and potential conflicts that arise, the Company must accurately report an inventory of whether:

- expert judgment or discretion is exercised in the determination process of a Company benchmark;
- the Company is part of the same group of companies as a user of a Company benchmark;
- the Company is a participant in the market or economic reality that the Company benchmark intends to measure;
- the Company or a member of staff is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;

- the Company or a member of staff has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome;
- the Company or a member of staff has a financial or other incentive to favour the interest of one Client or group of Clients over the interests of another Client;
- the Company or member of staff carries on the same business as the Client; or
- the Company or member of staff receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services other than the standard commission or fee for that service.

"Employee" is, regardless of jurisdiction and contractual terms, a person who is employed by TS, volunteers, interns, independent consultants and contractors and other authorised personnel offered access to the TS's resources.

"Contractor & Consultant" is a person or firm who has been employed on a 'work-for-hire' or contract basis.

5 GUIDING PRINCIPLES

The Company is required to take all appropriate steps to identify and to prevent or manage Conflicts of Interest that arise in the course of the Company providing its services, including those caused by the receipt of inducements from third parties or by the Company's own remuneration and other incentive structures.

The Company's Policy is to take all appropriate steps to maintain and operate effective organisational and administrative arrangements to identify, and to prevent or manage potential and actual Conflicts of Interest in the Company's business.

The Company maintains a Conflicts Register that contains a summary of the Company's existing and potential conflicts, their materiality and the procedures in place to manage identified conflicts. The Conflicts Register is regularly updated, and particularly whenever a new conflict is identified or the method for managing a conflict is altered. Furthermore, this Conflicts Register will contain at any point in time a list of existing and potential conflicts as highlighted in Section 4 (Definitions) of this Policy.

6 MANAGING CONFLICTS

6.1 Governance

The Company has robust governance arrangements and Board members oversight of the business. The Company's Board members are responsible for ensuring that the Company's systems and controls and procedures are robust and adequate to identify and manage any Conflicts of Interest that may arise during the course of business.

Discussion of Conflicts of Interest within the business are a standing agenda item at the Company's Board member meetings and Board members regularly discuss and review the processes in place for prevention and management of identified Conflicts of Interest.

It is the on-going responsibility of all Employees to identify potential and actual Conflicts of Interest as they arise in the Company's business and to notify the Company Oversight Function immediately. The Company Oversight Function is responsible for implementing the appropriate procedures to

manage and monitor those conflicts and reports directly to the Board members on a regular basis. Management information relevant to identifying Conflicts of Interest is reviewed by the Company Oversight Function. The Company Oversight Function shall act independently deploy the appropriate procedures and policies with regards to conflicts:

- Robust and auditable systems and controls in place to identify and mitigate potential conflicts ahead of time or as soon as they materialise
- Timely management and reporting of potential conflicts or tangible conflicts to management on a periodical and ad-hoc basis.

6.2 Management Reporting

The Board members of the Company receive, at least annually, written reports on all identified Conflicts of Interest. The Company Oversight Function is responsible for ensuring that the Board members receive such formal reports along with ad-hoc reports as relevant Conflicts of Interest materialise.

6.3 Segregation of Functions and Independence

The Company has a clear organisational structure with well-defined, transparent and consistent lines of responsibility.

The Company is structured to appropriately segregate duties to avoid Conflicts of Interest wherever possible. The Company will ensure there is an enhanced level of supervision over Employees that handle data or information that could result in a Conflict of Interest.

6.4 Information Barriers

The Company has effective procedures to prevent or control the exchange of information between Employees engaged in activities involving a risk of a Conflict of Interest arising where the exchange of that information may harm the interests of one or more clients. The segregated duties relate to the consumption of non-public data by key personnel and to the delivery of public data by the relevant Employees ensuring there is strict segregation over the flows of information internally. Information barriers are implemented, maintained and recorded in the relevant registers from time to time.

6.5 Remuneration

The Company has a documented Remuneration Policy detailing the Company's approach to remuneration and compensation arrangements.

The Company's interests and the Employees' interests are aimed to be aligned with those of the Company's clients. Pay and bonuses are linked to numerous factors and the Remuneration Policy ensures that incentives are consistent with the provision of fairness and do not create conflicts.

6.6 Personal Conflicts of Interest of Employees

All Employees are required to disclose in writing any Conflicts of Interest upon commencement of employment with the Company and on annually every 1 December thereafter. Employees shall disclose any potential or actual conflicts of interest directly to the Company Oversight Function. For the avoidance of doubt, certain Employees may need to consider when making their annual disclosure

whether a potential or actual Conflict of Interest applies or may apply to their dependents and/or natural or legal persons to whom they are connected with.

6.7 Disclosure to Clients

If the Company's arrangements to manage a potential Conflict of Interest are not sufficient to ensure with reasonable confidence that the risk of damage to the interests of a client will be prevented, the Company will clearly disclose the following to the client before undertaking further business for the client:

- the general nature or sources of Conflicts of Interest, or both; and
- the steps taken to mitigate those risks.

The Company treats disclosure of Conflicts of Interest as a measure of last resort to be used only where the effective organisational and administrative arrangements established by the Company to prevent or manage its Conflicts of Interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of clients will be prevented.

6.8 Declining to Act

The Company may decline to act for a client in cases where the Board members believe the Conflict of Interest cannot be managed in any other way.

6.9 Policies & Procedures

In addition to this Policy, the Company has comprehensive policies and procedures which are designed to establish consistent controls to manage and mitigate Conflicts of Interest.

7 EMPLOYEE TRAINING

Upon joining the Company and periodically thereafter, Employees receive guidance and training in respect of this Policy to ensure they are aware of the importance of the Policy and the need to report any potential or actual Conflict of Interest immediately to the Company Oversight Function.

8 UPDATING AND REVIEW OF THIS POLICY AND CONFLICTS REGISTER

This Policy and the Company's Conflicts Register will be updated at least annually and whenever new services or products are provided by the Company, new types of actual or potential Conflicts of Interest are identified either by Employees or as part of the Company's Compliance Monitoring Programme, or new procedures to manage Conflicts of Interest are put in place.

9 ROLES AND RESPONSIBILITIES IN RESPECT OF THIS POLICY

STAKEHOLDER	RESPONSIBILITIES
Board members	<ul style="list-style-type: none"> • Review and support this Policy • Review and approve exceptions • Reinforce compliance of all stakeholders
Company Oversight Function	<ul style="list-style-type: none"> • Develop and maintain this Policy • Conduct annual training / updates on the Policy

	<ul style="list-style-type: none"> Act as first line of defence in addressing Conflicts of Interest
Human Resources	Present all Employees as well as Contractors & Consultants with the relevant policies along with the joining instructions and employment formalities
All Users	Report any non-compliance to the Department Heads as soon as possible

10 EXCEPTIONS TO THE POLICY

Exceptions to the guiding principles in this Policy must be documented and formally approved by the Board members.

Policy exceptions must describe:

- The nature of the exception;
- Provide reasonable explanations for a policy exception or where TS has deviated or will deviate from the Policy;
- Any risks created by the Policy exception; and
- Evidence of approval by the Board members.

11 ENSURING AND MONITORING THE COMPLIANCE

Inquiries regarding this Policy can be directed to the Company Oversight Function and/or the Board members. The terms of compliance with this Policy as well as its contents and its adequacy to the business operating environment of the Company are reviewed on a periodic basis.

12 EFFECTIVE DATE

This Policy becomes effective 1 January 2018.