

Acuity Commodities Compliance Manual

Last Updated: May 2023

Key procedures

Acuity Commodities' (Acuity) primary function is to produce publications on specific commodities that include price assessments and written commentary.

Acuity's price assessments are governed by its Methodology which is available on the website: <https://www.acuitycommodities.com/methodologyandcompliance>. The Methodology is routinely reviewed for accuracy and market appropriateness. It is reviewed at least annually and is designed to give an overview of Acuity's general procedures and a clear description of how it assesses prices.

Acuity's price assessments represent market value of specified commodities based on confirmed business, firm offers, and firm bids. In the absence of firm pricing indications, such as during times of market illiquidity, prices will be notionally assessed based on price ideas heard in the market from both sellers and buyers. Notional pricing will also be supported by achievable pricing in comparable markets and corresponding likely netbacks or delivered prices.

When making a final price assessment, priority is given to fully verifiable and transparent market information, such as a transaction confirmed by both counterparties, followed by firm bids and offers, and finally, notional price ideas.

Ultimately Acuity uses its professional judgment to support price assessments which includes analysing data and information to determine if it meets specific requirements and is not considered a "one-off" or "distressed" event. Acuity's assessments reflect repeatable market value at the close of the assessment window.

Acuity expects any individual who is submitting price data to be considered in a price assessment are familiar with Acuity's published Methodology and Compliance Manual. It is also assumed that any information submitter holds the necessary qualifications and experience to provide pricing information to Acuity. Acuity reserves the right to bar any individual or company who purposefully report false or speculative data from data submission in the future.

Data and information collected is stored on a secure network. In addition, Acuity archives notes from all forms of market survey and keeps record of how each price assessment is derived.

Acuity is committed to promptly correcting any errors, including price assessments and other market information. We strongly encourage feedback from our clients. As such, any questions or concerns from subscribers will be thoroughly reviewed by Acuity. The correction procedure is included in the published Methodology.

A complaints procedure is also included in the Methodology with Acuity maintaining an internal register of such complaints.

Acuity maintains a publication schedule for its publications in its Methodology. If the schedule is to be altered because of events such as public holidays, a notice will be put in the publication for the two reports prior to the report that will be impacted.

Publication dates are subject to change in the event of unforeseen circumstances that limit Acuity's ability to adhere to its regular publication schedule. This includes circumstances such as natural disasters or any other situation that results in an interruption of business continuity in Acuity's operations. In the case of such an event, Acuity will communicate through postings on our website and/or direct emails.

This Compliance Manual is reviewed annually at a minimum, with the month and year of the most recent update included in the published version. The current version of this document is available on the website: <https://www.acuitycommodities.com/methodologyandcompliance>.

Conflicts of interest

Acuity is committed to ensuring its price assessments are not influenced by the existence of, or potential for, a commercial or personal business relationship or interest between Acuity, its personnel, clients, any market participant, or persons connected with them. Acuity employees are bound to disclose and avoid any conflict of interest in part to protect the integrity and independence of Acuity's price assessments. This includes disclosing and limiting any commercial, personal, or other interest between Acuity and its business connections.

Acuity employees are not permitted to compromise Acuity's functions, including outside employment, travel, and acceptance of entertainment, gifts and hospitality provided by clients or other market participants. Employees are strictly prohibited from engaging in any activity or discussion that influences a price assessment by way of engaging in bids, offers, or trades of the commodities covered on either a personal basis or on behalf of market participants.

If any Acuity employee has a concern about the behaviour of a colleague, submitter, market participant, or any other person connected to the integrity of the price assessment process, it should be reported to an Acuity manager accordingly.

In the event of any identified conflict, Acuity will effectively address it and ensure appropriate segregation of functions if necessary.

The above is implemented through Acuity employees signing an employment agreement upon hire, which includes the above policy.

In the event of any change in ownership of Acuity that would result in a conflict of interest, Acuity will release a statement to its clients and any other relevant third parties as soon as reasonably possible and update on any potential changes to this policy within that statement.

Gifts and hospitality

From time to time, Acuity employees may be offered gifts or hospitality by clients or other market participants. Acuity employees are responsible for their decision on acceptance of gifts or hospitality and do not bring their own or Acuity's independence into disrepute. In no circumstance should Acuity employees accept any gifts or hospitality from any third party (client or market participant) which might, or appear to, compromise their personal judgement or integrity, or place them under an improper obligation.

Any material gift offered or received, regardless of value, shall be logged in Acuity's internal gift and hospitality register. Hospitality events offered or received and estimated in excess of \$100 per employee shall be logged in the register. Hospitality events estimated at under \$100 per employee, such as a lunch or dinner meeting, are not required to be logged in the register.

The register includes: Name of the Acuity employee, a description of the gift or hospitality offered, the name of the person and/or organisation offering the gift or hospitality, the reason for accepting or declining, and the estimated value of the gift or hospitality.