

## STIFEL NICOLAUS EUROPE LIMITED (SNEL) SALES AND TRADING INVESTMENT RECOMMENDATIONS POLICY

### 1. Introduction

This document sets out key SNEL policies and disclosures required under the Market Abuse Regulation (MAR), applicable to SNEL's Sales and Trading Investment Recommendations (IRs), as defined in MAR.

### 2. Content, timetable and additional information

As an overarching requirement, SNEL is required to take reasonable care to ensure that IRs are objectively presented, and to disclose interests or indicate conflicts of interest and content will be appropriate to the nature of the IR being communicated. All prices within IRs will usually be stated as at the previous day's close, unless specified.

No formal timetable exists in relation to the frequency of issuing IRs. SNEL's policy is that IRs are completed and disseminated at the date and time of the relevant original electronic communication.

SNEL will provide additional information upon request, including in relation to the use of any proprietary models or further details regarding the valuation / methodology / underlying assumptions of non-proprietary models.

### 3. Confidentiality and independence

SNEL staff producing IRs are not permitted to disclose any proposed or potential direct or indirect IR to the relevant issuer to which it relates. Further, SNEL staff are forbidden from offering, soliciting or accepting any inducement or incentive for the provision of favourable IRs. In particular, it is SNEL's policy that the firm will not be party to any agreements with an issuer relating to the production of IRs.

It should also be noted that written or oral commentary, analysis or trading strategies may differ from the opinions expressed within other Sales and Trading or Research IRs.

### 4. Recommendation structure and timescales of IRs

For the purposes of meeting the disclosure requirements of MAR, the following general IR labelling is used:

- BUY – indicates the author believes the issuer or its financial instruments may be a good trade in the short term
- HOLD – indicates that the position of the author is neutral
- SELL – indicates that the author believes the issuer or one of its financial instruments may not be a good trade in the short term

IRs are extremely limited as to their time duration and relate to the immediate trading timeframe after the time of original dissemination unless otherwise stated, and will be subject to change without notice.

## **5. Remuneration of those producing IRs**

The remuneration of Sales and Trading staff, including those producing IRs, is determined by Sales and Trading management, in conjunction with SNEL's senior management. In addition to individual performance, remuneration of Sales and Trading staff is dependent upon the firm's total revenue, a portion of which is generated by investment banking activities. No part of remuneration is directly or indirectly related to the specific recommendations or views expressed by Sales and Trading staff, nor is it related to any specific investment banking revenues or results, provided however, that compensation may relate to revenues or results of the firm as a whole.

Furthermore, investment banking personnel may not have any input into remuneration decisions or other decisions regarding the hiring, advancement, discipline or dismissal of Sales and Trading staff.

## **6. Arrangements regarding conflicts of interests**

Authors or a member of their household may own financial instruments in the issuer to which the IR relates (whether the IR is on the issuer or a specific financial instrument of the issuer). However, SNEL does not permit Sales and Trading staff to produce IRs on any issuer, or its financial instruments, if they have purchased instruments privately prior to the admission to trading of the shares of the relevant issuer, received compensation in the last twelve months from the issuer or on issuers where they are, or a member of their household is, an officer, director or advisory board member.

SNEL has in place a Conflicts of Interest Policy, available publicly on [www.stifel.com](http://www.stifel.com). This policy contains, *inter alia*, details around arrangements which are aimed at effectively preventing and / or avoiding conflicts of interests, including in respect of Sales and Trading IRs, in addition to the relevant measures set out herein.

The following arrangements are most relevant to the production of Sales and Trading IRs:

- Information barriers (sometimes called "Chinese walls") and management supervision structures;
- Utilisation of insider lists and well defined "barrier crossing" or "wall crossing" procedures;
- Restricted access to confidential information;
- A list of restricted financial instruments where SNEL is acting for a client in an announced transaction, with restrictions around activities; and
- Central policies and procedures, including around personal account dealing restrictions, outside interests, remuneration policies, anti-bribery, corruption and fraud policies, gift and entertainment policies and conduct requirements applied to SNEL staff.

## **7. Scope**

SNEL intends that this document should be for guidance only. Accordingly, this document is being provided (to the extent permitted by law) without liability, and SNEL, in publishing this document, makes no representation or warranty as to how it may act in connection with any particular situation or set of circumstances that may arise. This document is not intended to create third-party rights or duties that would not already exist if the policy had not been made available, nor is it intended to form part of any contract between SNEL and any client.

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