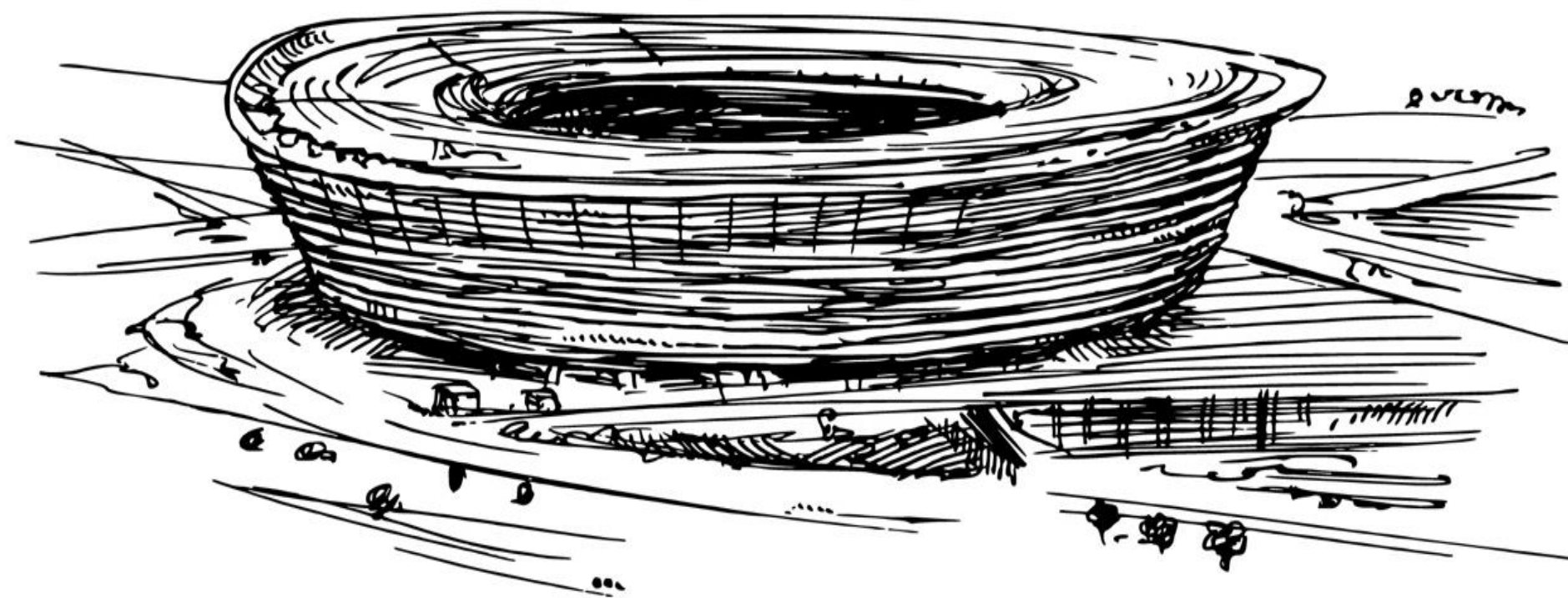


CONFLICT OF INTEREST ASSESSMENT REPORT



2023



This report is prepared in accordance with section 62 of the Financial Markets Act (“FMA”) and Board Notice 1 of 2015 (“Board Notice 1”) in respect of the annual conflicts of interest assessment.

The CTSE Compliance Committee (“Compliance Committee”) serves to balance any conflicts between the commercial interests of CTSE and its compliance with the regulatory requirements, including its Exchange License, the FMA and to fulfil its statutory obligations as a Self-Regulatory Organisation as required in terms of Board Notice 1.

The Compliance Committee, comprising of three independent non-executive directors is able to function independently and impartially in fulfilling its mandate in line with its terms of reference.

THE COMPLIANCE COMMITTEE REPORT

For the financial year under review, the CTSE Compliance Committee reports on the following in terms of section 62 of the Financial Markets Act and Board Notice 1 of 2015:

- + The Compliance Committee terms of reference was updated and approved at the March 2023 Board meeting.
- + The CTSE Conflict of Interest Policy was updated and approved by the Board in June 2023.
- + The CTSE Compliance Policy was reviewed and approved by the Board in June 2023.
- + No actual, potential, or perceived conflicts of interests were reported or identified, and no matters were reported in terms of the whistleblowing procedures.
- + CTSE has acted appropriately and professionally as required in terms of section 62 of the FMA, Board Notice 1 of 2015, and the CTSE Conflict of Interest Policy.
- + The Compliance Committee and the Issuer Regulation Committee function effectively and provide sufficient oversight mechanisms to ensure that the regulatory and commercial functions of CTSE are adequately separated.
- + The current governance structures, which were enhanced by the clear separation and independence of the Compliance Committee, the Issuer Regulation Panel, the Issuer Regulation Division, and the Compliance Division, are deemed to be appropriate for CTSE, which will continue to be enhanced as the business grows.
- + Supervised compliance with the Exchange rules, FMA and FICA by the Authorised users and reported matters of non-compliance to the FSCA

