



Appendix 1

Ethical walls policy

Conflict of interests and dissemination of price-sensitive information

Aim of this policy

This policy aims to avoid any conflict of interests arising within Calipso or between the Consortium and other entities within Calderdale, and to prevent any unacceptable dissemination of price-sensitive information.

Scope

This policy applies to Calipso and all its member organisations (including minority interests) worldwide unless explicitly excluded.

Definitions

Confidential information: Any information about a person or legal entity, company, institution or client which is not publicly available.

Price-sensitive information: Concrete information which is not in the public domain and which concerns either directly or indirectly the person or legal entity, company or institution to which securities relate or to any trade in such securities, and the publication of which would have a significant influence on the price of those securities or their derivatives.

Business line: a set of one or more highly related products which service a particular customer transaction or business need.

Provisions

Ethical walls between Calipso's business lines and its members:

1. There must be organisational, physical and personnel divisions up to the highest possible level between Calipso and its members.
2. Calipso's staff report hierarchically to their managers inside the consortium only (when staff are employed) or hierarchically to their managers within the hosting organisation only (when work is divided between members).
3. Calipso staff work in office buildings that are not accessible to third parties without express authorisation.
4. Calipso staff make use of information from the consortium's data storage systems and software that are not accessible to other divisions of the its members or to third parties.

5. Calipso staff should treat all contact with divisions of its members as contact with third parties where that contact concerns the communication of price-sensitive or confidential market information, with the exception of mandatory reports produced to statutory requirements or as otherwise required by law.

Ethical walls between the Consortium's business lines:

6. There must be organisational, physical and personnel divisions up to the highest possible level between the consortium's business lines, inasmuch as this is necessary in view of their activities.

7. Staff report to the managers in their business lines unless otherwise agreed in writing.

8. Staff make exclusive use of information obtained from data-storage systems that are not accessible to other business lines or third parties.

9. Business lines are not permitted to exchange price-sensitive or confidential information, unless this is necessary for them to effectively carry out their work.

Ethical walls between the Consortium's host organisation and the business lines:

10. There must be organisational, physical and personnel divisions up to the highest possible level between the Consortium's host organisation and the business lines, inasmuch as this is necessary in view of their activities.

11. Calipso's host organisation should consider contact with other business lines to represent contact with third parties, inasmuch as such contact concerns the communication of price-sensitive or confidential market information.

12. Business line staff should consider contact with the host organisation to represent contact with a third party.

Breaching Ethical walls:

13. If it is necessary for staff to contact staff from another business line or from its members in order to be able to carry out their work effectively, and this contact might involve the dissemination of price-sensitive or confidential market information, then that business line can specify relevant measures to handle this.

14. If, occasionally, it is necessary to breach Ethical walls, prior authorisation must be requested from the Calipso Board, who may then apply supplementary conditions and prescribe special measures.

15. At least once a year, the Board checks whether the policy and the procedures concerning Ethical walls are still up to date.



16. The policy will be reassessed by the Board in the event of organisational changes and the introduction of new products.

Supervision and sanctions:

17. Conflicts of interest should initially be solved by the business line in consultation with the Calipso Chair (or when paid staff exist the Calipso Manager) and decisions taken should be explained and documented.

18. The Chair (or Calipso Manager) has access to such documented decisions.

19. If a business line is unable to resolve a conflict, the matter can be referred to the wider Board of Directors of Calipso .

20. The Board will consult the parties involved and make a binding recommendation to the managing director of the business line.

21. If a potential conflict of interests is identified between two or more business lines, the Board will define measures which are intended to prevent such conflicts of interest and/or the dissemination of price-sensitive information.

22. Staff should get in touch with the Calipso Chair immediately if they know - or can reasonably be expected to know - that they are in possession of price-sensitive or confidential information received or disseminated in violation of the rules as defined in this policy.

23. If, despite all preventive measures taken, a conflict of interest should arise or threatens to arise (which can't be resolved), any information relating thereto should be recorded by the Calipso Chair (or Calipso Manager is one is in place) and reported to the Board. The Board is responsible for keeping a record of such actual or potential conflicts of interest.

Other:

24. Where an agreement with third parties is concluded a provision must be included in the contract stating the obligation of this third party to promptly disclose its relationship with Calipso.