

December 31, 2024

Conflicts of Interest Disclosure

Overview of Client Focused Reforms and Conflicts of Interest Disclosures

The Canadian securities regulators are enhancing their rules to better support your interests as a client. These enhanced rules are based on the fundamental concept that your interests must always come first. Here at Genus our goal is to be acting in our clients' best interests at all times and these new rules require us to provide enhanced disclosure so that you have greater visibility of our efforts to always act in your best interests.

Conflicts of Interest

What exactly is a conflict of interest? A conflict of interest means that there is an influence which may affect the decision we, as your portfolio manager would make in the management of your account, or conversely it may affect the decision that you, as the client, would make regarding your account with us. At Genus, we have adopted policies and procedures to assist in identifying conflicts of interest, and once a material conflict of interest is identified, we will avoid it, or if we cannot avoid it, we will control the conflict with policies and processes, and where it will assist in managing the conflict, we will provide disclosure to you in order to explain how we manage the conflict in your best interests. This disclosure will assist you in helping to understand the nature of your relationship with Genus.

Our existing or reasonably foreseeable material conflicts of interest are described below.

Conflicts Arising from Proprietary Products

Genus controls and discloses this conflict as it utilizes our propriety investment funds within our managed accounts. Genus provides very detailed disclosure surrounding our investment to our clients in our Client Disclosure Statement and clients consent to the purchase of the funds within our managed accounts.

Conflicts Arising from Third-party Compensation

Genus avoids this conflict as it does not receive any third-party compensation from the sale of third party products, such as third party mutual funds which pay trailing commission.



Conflicts Arising from Internal Compensation Arrangements and Incentive Practices

Genus avoids this conflict as we are of the view that employees and owners of the firm have initial and ongoing know your client and suitability obligations to determine suitability for each Genus client. This is also pursuant to our fiduciary obligations to act in our clients' best interests at all times.

Conflicts in Fee-Based Accounts

Genus only offers fee-based accounts. Genus controls this conflict as there are no products sold to clients for investment purposes that include embedded compensation. Genus provides disclosure of all fees and charges in the Engagement for Investment Counsel and Portfolio Management Services Agreement (the 'Client Agreement') and Client Disclosure Statement at the time of account opening. Genus has ongoing know your client and assessment of suitability obligations which it performs pursuant to our fiduciary obligations to act in our clients' best interests at all times. Annual fees and operating charges paid each calendar year are reported via annual reports.

Conflicts Between Clients

Genus provides disclosure to our clients that our services are not exclusive in our Client Disclosure Statement. Genus manages this conflict as there is no cross trading of securities between client accounts and Genus discloses a summary of our fair allocation of investment opportunities policy in our Client Agreement.

Conflicts Related to Referral Arrangements

Genus manages this conflict as whenever Genus enters into a referral arrangement with a third party, detailed disclosure of the referral arrangement is provided to our clients, and all referred clients are required to provide their consent to, and acknowledgement of, the referral arrangement.

Conflicts Arising from Having Full Control or Authority Over the Financial Affairs of a Client

Genus currently avoids this conflict as it does not have any individuals who have full control or authority over the financial affairs of a client. In special circumstances where avoidance cannot be avoided and this situation arises, Genus will control the conflict with specific policies and the client will receive full disclosure of the conflicts and potential conflicts of interest.



Conflict Arising from Individuals Who Serve on Public Boards and Outside Business Activities

Genus avoids the conflict of interest where an individual serves on the board of a public company as no employees of Genus serve on any public boards. Regarding outside business activities, Genus controls this conflict as all outside business-related roles or relationships, such as directorships or trusteeships of any kind, or paid or unpaid roles with charitable organizations, must be approved by Genus. Where such relationship may give rise to a situation where our clients should be made aware of the outside business activity, clients would be provided with disclosure of the outside business activity.

Conflicts Arising from Allocating Fund Expenses

Genus controls this conflict as our policy is that each Investment Fund is responsible for paying for all routine and customary expenses relating to that Fund's operation.

Trade Execution – Best Execution

Genus controls any conflicts relating to our obligation to obtain best execution as our policy is that each trade is individually assessed to ensure best execution and Genus discloses a summary of our best execution policy in our Client Disclosure Statement.

Trade Execution – Use of Client Brokerage Commission (Soft Dollars)

Genus controls conflicts relating to our use of client brokerage commission (soft dollars) by implementing a comprehensive soft dollar policy and Genus discloses a summary of our soft dollar policy in our Client Disclosure Statement, which is update every September and made available to clients.

Large Unitholders

Genus controls this conflict as Genus makes a special distribution within that Fund when there is an exit of a large unitholder.

Trading and Pricing Errors

Genus controls this conflict by having a policy of when there is an instance of a trading or pricing error, and where a client has been negatively impacted, their account will be made whole.



Personal Trading, Use of Inside Information for Personal Gain and Gifts and Entertainment

Genus controls these conflicts as our owners and employees own the same securities as our clients. We believe this provides aligned interests between us and our clients. When Genus staff invest in the same securities as our clients, Genus has a Code of Ethics that prohibits the use of inside of information and has established personal trading policies and procedures to monitor personal trades. The Code requires pre-clearance and reporting of personal securities transaction and employees provide an annual acknowledgement of compliance with the Code. Genus has a Gift Policy which requires all gifts above \$250 be formally approved and in the general course, all gifts are discussed.

Valuation of Portfolio Securities

Genus controls this conflict as valuations of client holdings and our Funds are determined by third parties and from publicly available market data.

Performance Marketing

Genus controls this conflict as all marketing material is reviewed and requires approval from Genus' compliance department prior to publication.

Proxy Voting

Genus controls this conflict as pursuant to our Proxy Voting Policy our voting is based upon on the SHARE (Shareholder Association for Research & Education) proxy voting guidelines.