

CONFLICTS OF INTEREST DISCLOSURE STATEMENT

1. INTRODUCTION

- 1.1. As a member of SBI Group and a financial institution offering a variety of services and engaging in numerous business activities, SBI Digital Markets Pte. Ltd. ("**SBIDM**") faces actual or potential conflicts of interest, both within the SBI Group and with third parties from time to time. SBIDM strives to manage any conflict of interest that has arisen with integrity and in accordance with the requirements under the Securities Futures Act of Singapore.
- 1.2. SBIDM has put in place organisational and administrative arrangements, including controls, policies and procedures to identify, prevent, mitigate and/or manage actual, potential or perceived conflicts of interest from adversely affecting the interests of the clients of SBIDM.
- 1.3. SBIDM's internal control framework is designed to help ensure that SBIDM:
 - (a) identifies circumstances which do or may give rise to conflicts of interest; and
 - (b) establishes appropriate procedures and measures in order to prevent or manage such conflicts.

2. TYPES OF CONFLICTS OF INTEREST

- 2.1. Circumstances where conflicts may arise in the course of SBIDM carrying out its business activities include, but is not limited to:
 - (a) where SBIDM provides advice to a corporate client in relation to a securities offering and is advising a different client as to the advantages and disadvantages of investing in that security;
 - (b) where SBIDM or an affiliate of SBIDM acts as adviser to, or has any other business relationship with, the issuer, trustee, custodian, operator or manager of, or investment adviser to any form of securities or collective investment scheme in which such securities or collective investment scheme are sold to or purchased for a client;
 - (c) where SBIDM or an affiliate of SBIDM is arranging, provide corporate finance advisory or otherwise participating in, the issue of securities sold to or purchased for a client;
 - (d) where SBIDM receives financial benefits, in the form of either direct or indirect compensation, from an affiliate, related party, third party and/or supplier for distributing, marketing, introducing, purchasing or selling certain securities and/or collective investment schemes to a client.

For disclosure purposes, in the case where SBIDM distributes, markets, introduces, purchases or sells certain securities and/or collective investment schemes issued, managed, placed or distributed by an affiliate, related party, third party and/or supplier to any client, SBIDM may receive financial benefits, in the form of direct or indirect compensation, such as commissions, fees or other remuneration.

- (e) where SBIDM receives financial benefits, in the form of either direct or indirect compensation, from an affiliate, related party, third party and/or supplier due to payment services or any other services provided to a client;
- (f) where an affiliate of SBIDM receives financial benefits, in the form of either direct or indirect compensation, in connection with any securities or collective investment scheme SBIDM has sold to or purchased for a client;
- (g) where SBIDM, engages with an affiliate or a related party, or utilises the services of an affiliate or a related party, to provide payment or other services to, or processes transactions for, a client;

where SBIDM comes into possession of material non-public information through the performance of corporate finance advisory activities, its affiliates or related parties and such material non public information which may cause SBIDM, or if known to a client may cause such client, to seek to dispose of, retain, or increase interests in certain securities

- (h) where SBIDM pays certain affiliates or third parties for client referrals or introductions or for routing transactions through SBIDM;
- (i) where SBIDM promotes or refers an affiliate or third party services to a client, SBIDM may be compensated for such referral;
- (j) where SBIDM takes an investment position or action for one client that is different or inconsistent with an action or position taken for another client resulting in adverse impact to one client or benefit to another client;
- (k) where an employee of SBIDM engages in personal account dealing in respect of financial instruments and SBIDM has a client with an interest that potentially conflicts with such dealing;
- (l) where an employee, officer or director of SBIDM pursue outside business activities, or external appointments such as serving as a director, advisory board member or in some other oversight capacity for client that SBIDM is advising or third party SBIDM engages in for its business activities;
- (a) where an employee, officer or director of SBIDM receives gifts and/or entertainment from clients, or third parties, which could have the appearance of affecting or may potentially affect their judgment in which they conduct business on behalf of SBIDM; and
- (b) where a connected party of an employee, officer or director of SBIDM has a relationship or financial interest with a client that SBIDM is advising or third party SBIDM engages in for its business activities.

3. ARRANGEMENTS TO PREVENT, MITIGATE OR MANAGE CONFLICTS OF INTEREST

3.1. SBIDM has put in place the following measures to prevent, mitigate or manage any conflicts of interest that may arise pursuant to its business activities:

(a) **Separate job functions**

Each function relating to a regulated business activity of SBIDM is performed by dedicated personnel within SBIDM. This promotes independence between the different job functions and personnel is able to act in clients' interests.

(b) **Information Barrier**

SBIDM has established internal controls (including physical, technological and electronic information barriers) to regulate and restrict the flow of confidential information between different legal entities and also within the different business areas within the same legal entity. These arrangements are designed to prevent the exchange or misuse of confidential information including client and material non-public information.

(c) **Conflict Assessment**

SBIDM's Compliance Team (in consultation with the relevant stakeholder) reviews information about proposed transactions together with information concerning other transactions or relationships within SBIDM to determine if a conflict of interest exists, SBIDM's Compliance Team shall raise the matter to the Risk and Compliance Committee of SBIDM. If a conflict of interest exists, SBIDM's Risk and Compliance Committee either approves with conditions (where a conflict of interest can be appropriately managed with the imposition of additional controls) or rejects the transaction (where the conflict of interest that exists cannot be managed).

(d) **Disclosure and Waiver**

Where the procedures and controls implemented by SBIDM are insufficient to prevent a conflict of interest, appropriate disclosure regarding that conflict will be provided to the affected clients before SBIDM undertakes (or continues to undertake) any services on their behalf.

(e) **Declining to act**

If SBIDM considers that the conflict of interest cannot be effectively mitigated or managed in any other way, it may decide to decline to act for a client.

(f) **Personal Account Dealing and External Activities**

SBIDM requires its employees, and officers to disclose their personal trading accounts, pre-clear certain types of personal trades, and periodically provide personal trading account statements. In addition, employees and officers are also required to pre-clear certain outside activities and second jobs which are then vetted to ensure that these outside activities do not give rise to a conflict of interest, or whose conflicts of interest are otherwise deemed manageable or able to be effectively mitigated, with their responsibilities at SBIDM.

(g) **Gifts and Entertainment**

SBIDM prohibits its employees and officers from soliciting or providing gifts, entertainment or other inducements directly or indirectly to/from anyone which would impair SBIDM's duty to act in the best interest of its clients. SBIDM's employees and officers must comply with SBIDM's Business Entertainment and Gift policy which requires each employee to (i) report to the Head of Human Resource and the Compliance Team of any gift that he or she receives and (ii) obtain the prior approval of Senior Management and the Compliance Team before providing any product or service classified as a gift under SBIDM's Business Entertainment and Gift Policy to a business partner.