

# Summary of Conflict of Interest Management Policy

## Standard Chartered Securities (Japan) Limited

### 1. Purpose

In connection with the diversification of services provided by financial institutions and the development of global financial conglomeratization, multiple interests compete or conflict with each other within a financial institution or financial group increasing the possibility of conflicts of interests.

Under such circumstances, Standard Chartered Securities (Japan) Limited (the “Company”)) has established the Conflict of Interest Management Policy (the “Policy”) to manage the transactions that may cause conflicts of interests (“Relevant Transactions”) to prevent the interests of our customers from being unjustly impaired. Here follows a summary of the Policy.

### 2. Companies in scope for Conflict of Interest Management

The Company manages conflicts of interest related to Relevant Transactions involving the Company and the following relevant companies (collectively, its “Affiliates”).

- Standard Chartered Bank
- Overseas affiliates companies within Standard Chartered Group

### 3. Types of Transactions That May Cause Conflicts of Interests; Process of Identification, Etc.

**The following transactions may be considered as types of Relevant Transactions. However, please note that since these types are only indicative criteria to determine whether or not there are actually any Relevant Transactions, simply satisfying the criteria does not necessarily denote the existence of a Relevant Transaction.** Also, please note that some additions or modifications may be made in the future as necessary.

- 1 If any Customer reasonably expects that his/her own interests will be prioritized through counsel or advice (Duty-of-Loyalty Type);
- 2 If the Company and/or Affiliates may obtain any economic profit or avoid any economic loss at the expense of any Customer (Duty-of-Loyalty Type);
- 3 If the Company and/or Affiliates obtains or will obtain any incentive in the form of money, goods or services other than the usual commission fees or expenses in connection with the transactions with any person other than their Customers (Duty-of-Loyalty Type);
- 4 If the Company and/or Affiliates conducts any transaction with any Customer who should be protected by the Company and/or Affiliates (Self-Agency Type);
- 5 If the Company and/or Affiliates conducts any transaction under which the Company and/or Affiliates takes the side of the counterparty of any Customer who should be protected by the Company or such Affiliate (Two-Side Agency Type);
- 6 If the Company and/or Affiliates conducts any transaction with the counterparty of any Customer who should be protected by the Company and/or Affiliates, which counterparty competes with such Customer (Competitive Transaction Type);
- 7 If the Company and/or Affiliates conducts any transaction through the use of non-public information on any Customer who should be protected by the Company or such Affiliate, which transaction results in any benefit to the Company and/or Affiliates (Information Use Type)

- 8 If the conditions for similar transactions may not be expected due to the involvement of the Company and/or Affiliates in the same transaction on multiple sides (Transaction-Internalization Type).
- 9 If the Company and/or Affiliates conducts any transaction through the use of confidential information on any Customer which is acquired on bank relationship with the Company and/or Affiliates, which transaction results in any benefit to the Company and/or Affiliates, or other customer. (Information Use Type)
- 10 If the different business units in the Company and/or Affiliates has each separate transaction to the customer who should be protected by the Company and/or Affiliates, and one business unit has confidential information of such customer. (Information Use Type)

In addition, upon determining whether any conflict of interests has occurred, the Company will consider comprehensively whether any impact upon the reputation of the Company and/or our group has been caused.

#### **4. Method of Managing Transactions That May Cause Conflicts of Interests**

If the Group including the Company identifies any Relevant Transactions, the Group will properly secure the protection of our Customers by selecting from any of, or combining, the following methods and any other methods (the following methods are only examples, and the following measures need not be adopted):

- The method of separating divisions conducting Relevant Transactions, and divisions conducting transactions with such Customer;
- The method of amending the conditions or method of the Relevant Transactions or transactions with such Customer;
- The method of discontinuing Relevant Transactions or transactions with the Customer; and/or
- The method of properly disclosing to the Customer the possibility that the interests of such Customer may be unjustly impaired in connection with Relevant Transactions.

#### **5. The Conflict of Interest Management Framework**

The Group Control Room, which is segregated from the Sales divisions, will be the Group Conflict of Interest Management Control Division, and the Control Room will manage any Group conflict of interests overall. Company Compliance, Financial Crime & Conduct Risk will support the Group Control Room in relation to Japan.