

SB1 Markets – Anti-Corruption Policy

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1. Background and Purpose

Corruption is detrimental to society as a whole, market mechanisms, and economic stability. It undermines lawful business practices and fair competition. Involvement in corruption may expose employees and the company to reputational damage, criminal sanctions, loss of contracts, or other financial losses. SB1 Markets (SB1M) has zero tolerance for all forms of corruption.

As an investment firm, SB1M plays an important role in the business community and is a key component of the national economy. SB1M's clients, partners, and society at large expect the company to maintain high ethical standards in the delivery of its services. The financial sector depends on the trust of its clients and the market. SB1M shall lead by example.

This anti-corruption policy outlines the key elements of SB1M's efforts to prevent and combat corruption and unethical behaviour. The purpose of this policy is to provide guidance on the company's stance and contribute to the prevention of corruption, influence trading, bribery, and facilitation payments.

2. Guiding Principles

The following guiding principles form the basis of SB1M's anti-corruption efforts:

- SB1M has zero tolerance for all forms of corruption.
- SB1M employees shall not engage in corruption, influence trading, bribery, or facilitation payments to promote the company's or their own interests.
- SB1M shall work effectively with ethics, anti-corruption, and anti-bribery measures.
- SB1M employees shall actively contribute to preventing corruption, influence trading, bribery, and facilitation payments through financial transactions within the company.
- SB1M shall not make political contributions in the form of financial support to political parties or causes.
- SB1M employees shall exercise particular caution and diligence when interacting with public authorities and officials, including in relation to public procurement processes and applications for approvals, permits, and licences.
- There is an absolute prohibition against falsifying accounts, publicly available reports, regulatory reporting, and all other documentation.

3. Who the Policy Applies To

This policy applies to all employees, board members, and consultants performing tasks for SB1M. It is expected that the company's partners are familiar with SB1M's anti-corruption policy.

All employees at SB1M are responsible for complying with the guidelines in this policy. Employees are part of the first line of defence against corruption. It is therefore important that they understand what zero tolerance for corruption entails. All employees must at all times comply with the laws and regulations applicable to SB1M. Department heads have a particular responsibility to lead by example, promote transparency, and ensure awareness among their staff.

SB1M's anti-corruption policy applies in full to subsidiaries and jointly owned companies/joint ventures where SB1M has effective control through majority ownership, voting rights, or operational responsibility.

Board representatives of SB1M should be particularly alert to corruption risks in subsidiaries. SB1M may be held liable if employees or board members are aware of or should have been aware of corrupt practices in subsidiaries.

4. What is Corruption?

Corruption encompasses a wide range of activities aimed at obtaining unlawful advantages. It occurs when someone offers or gives, accepts or receives an improper benefit in connection with the performance of a position, role, or assignment. SB1M does not tolerate either active corruption (attempting to corrupt others) or passive corruption (being corrupted).

Improper benefits may take many forms, such as cash, services, kickbacks, travel, assignment of tasks, or favouring friends and acquaintances. Whether a benefit is improper depends on the overall context. If the situation cannot be discussed openly, the benefit may be considered improper.

Bribery occurs when someone attempts to influence a decision by offering an unlawful benefit. While cash bribes are easily recognisable, corruption may also be disguised as services, kickbacks, gifts, restaurant visits, travel, and entertainment.

Influence trading occurs when someone (for themselves or others) gives or offers an improper benefit, or demands, receives, or accepts an offer of an improper benefit to influence another person's position, role, or assignment.

Facilitation payments are payments for services one is entitled to receive without such payment. Typical examples include payments to expedite or bypass controls or approval procedures (e.g. passport control, customs clearance).

SB1M does not accept facilitation payments. Only in emergencies, where life or health is at risk, may such payments be acceptable. In such cases, the payment must be reported to the immediate manager and the accountant.

Kickbacks typically involve contracts or invoices with inflated fees, where individuals involved in securing the payment receive a portion or other services in return.

5. Gifts, Representation and Business Relations

Employees and others representing SB1M may only give or receive gifts of modest value. Monetary gifts must never be given or accepted. It is up to the individual to assess whether circumstances suggest that a gift should not be given or received.

If cultural or other factors make it appear offensive or impolite to decline a gift, it may be accepted provided it is not monetary. The immediate manager must be informed, and the gift must be handled with full transparency. Gifts of significant value must be transferred to SB1M, and the giver must be informed of this handling.

Representation, such as participation in events, meals, etc., is a natural part of SB1M's client relations. Travel, accommodation, and other expenses for SB1M employees shall generally be paid by SB1M. Representation expenses must always be approved by the immediate manager and handled with full transparency.

SB1M shall inform business partners of the company's zero tolerance for corruption and ethical guidelines. These guidelines shall be reflected in contractual terms and agreements with business partners.

SB1M may be held liable for involvement in corrupt acts committed by others with whom the company has business relations. Such connections also pose a reputational risk.

6. Corruption Risk and Integrity Due Diligence

SB1M shall regularly conduct a corruption risk assessment at the company level and identify business areas and roles particularly exposed to corruption.

Where the risk assessment indicates, background checks (integrity due diligence) shall be conducted before initiating projects or entering into client relationships. SB1M shall also assess the need for integrity due diligence before entering into business partnerships. The aim is to reduce the risk of involvement in past, ongoing, or future corrupt acts through the partnership. This need shall also be assessed when SB1M uses agents, lobbyists, or other intermediaries.

SB1M shall choose business partners who reflect and represent its values. SB1M shall not engage with intermediaries suspected of corruption or money laundering. The Penal Code prohibits bribery and unlawful influence trading via agents, lobbyists, and other intermediaries. A company may be held liable for corruption committed by an agent, even if it denies direct knowledge of corrupt payments made by the agent.

7. Training and Awareness

SB1M shall provide necessary training and guidance to ensure that employees are able to assess risk and fulfil their obligations in accordance with this anti-corruption policy.

The Board, CEO, and senior management have a particular responsibility to raise awareness and lead by example. Tone from the top shall be demonstrated through references to the anti-corruption policy and whistleblowing channel. Zero tolerance for corruption shall be a consistent theme in the signals and messages communicated by management.

8. Whistleblowing Channel

SB1M shall promote a culture of openness and whistleblower protection. Employees are encouraged to first report such matters internally to their immediate supervisor, or alternatively to a senior employee or compliance. If these measures are deemed insufficient, the incident may be reported through the whistleblowing channel, where an independent third party receives and processes the report.

SB1M shall have effective and appropriate channels for raising concerns, including whistleblowing channels that allow for anonymous reporting. All managers and employees are expected to report in accordance with established guidelines if they become aware of corruption, influence trading, bribery, or facilitation payments.

If uncertain about applicable rules, employees are encouraged to contact their manager.

SB1M's established whistleblowing procedures also apply to cases where employees have concerns or wish to report objectionable matters.