

Summary of Conflicts of Interest Management Policy

JPMorgan Securities Japan Co., Ltd.

The risk of conflicts of interest has increased within financial institutions and financial groups, with multiple interests existing that may compete or conflict with each other, due to the diversification of financial services and the development of global financial conglomerates.

J.P. Morgan Group (“J.P. Morgan”) including JPMorgan Securities Japan Co., Ltd. (the “Company”) is required to manage conflicts of interest to prevent the interests of our clients from being unjustly impaired.

In Japan, J.P. Morgan provides financial services including Investment Banking, Markets, Treasury Services and Trade, Intermediary of Global Custody service and Asset Management, establishing a framework to provide our clients with the best services that meet their various business needs. While the Company continues to work on improving its services further, it has established a Conflicts of Interest Management Policy (hereinafter referred to as the “Policy”) and a conflicts management system in relation to transactions that may cause conflicts of interest between J.P. Morgan and its clients or among its clients, in accordance with applicable laws and regulations.

1. Types of transactions that may cause conflicts of interest

The following examples are considered as types of “transactions that may cause conflicts of interest”. However, these types are provided merely to assist in determining whether there is any transaction that may cause conflicts of interest, and a transaction is not to be immediately referred to as a transaction that may cause conflicts of interest because it falls within any of these types. In addition, the Company may manage transactions that may cause conflicts of interest but that do not fall within these types. Please note that there may be some future additions or revisions to these types as necessary.

- **Firm vs. Client** – A conflict where J.P. Morgan’s interests may be opposed to one or more clients’ interests.

Example: A situation where J.P. Morgan, while possessing knowledge of clients' potential transaction information relating to certain securities, conducts proprietary transactions relating to those securities for its own account.

- **Workforce Member vs. Client** – A conflict where the interests of a workforce member of J.P. Morgan may be opposed to one or more clients' interests.

Example: A situation where a workforce member of J.P. Morgan trades securities in their personal account while possessing insider information on the subject securities.

- **Client vs. Client** – A conflict where a client's interests may be opposed to the interests of one or more other clients.

Example: A situation where J.P. Morgan provides a client with advisory services relating to the sale of their business while also acting as a financial adviser for the bidder(s) on the acquisition.

- **Workforce Member vs. Firm** – A conflict where the interests of a workforce member of J.P. Morgan may be opposed to J.P. Morgan's interests.

Example: A situation where a workforce member of J.P. Morgan becomes a board member of a competitor of J.P. Morgan.

2. Scope of companies covered by the conflicts of interest management

In accordance with the Financial Instruments and Exchange Act, transactions which involve the Company, JPMorgan Chase Bank, N.A., Tokyo Branch, JPMorgan Asset Management (Japan) Limited and J.P. Morgan Mansart Management Japan Co., Ltd. are subject to the Company's management of conflicts of interest. As the Company and JPMorgan Asset Management (Japan) Limited do not, in principle, share non-public information, conflicts of interest between them are managed by placing restrictions on the sharing of information through information barriers. In addition, potential conflicts of interest in transactions involving foreign affiliates of J.P. Morgan

(other than those which do not engage in financial instruments business or bank business in their countries) are managed through oversight by the Global Conflicts Office.

3. Conflicts of interest management system

The Global Conflicts Office of J.P. Morgan is responsible for overseeing the management of transactions that may cause conflicts of interest, in accordance with J.P. Morgan's global policy. In addition, following the Policy, the Company has established a system for identifying transactions that may cause conflicts of interest and for managing conflicts of interest with the Legal and Compliance departments, which are independent from the Line of Business divisions. For these purposes, the Legal and Compliance departments are designated as the Conflicts of Interest Management Control Divisions, and the head of the Legal department is designated as the COI Management Control Manager for the appropriate management of conflicts of interest.

4. Methods of managing transactions that may cause conflicts of interest

If the Company identifies any transaction that may cause conflicts of interest, it manages such transaction to prevent the interests of clients from being unjustly impaired by selecting from, or combining, the following methods or other similar actions:

- Restricting information sharing between divisions or within a division
- Amending the conditions or method of either or both the transaction that may cause conflicts of interest and/or the transaction with the client.
- Discontinuing either the transaction that may cause conflicts of interest or the transaction with the client.
- Properly disclosing to the client the possibility that the interests of such client may be unjustly impaired in connection with the transaction, or receiving consent from such client.
- Monitoring transactions and workforce members that may cause conflicts of interest.
- Requiring prior permission for transactions that may cause conflicts of interest.

The Company has established a system for preventing transactions that may cause conflicts of interest by complying with laws and regulations and various internal rules, as well as by appropriately managing client information according to the separation of departments and segregation of duties. For example, when the Company provides a client with intermediary services for the sale of financial instruments, as a general rule and as a result of information barriers, the client's transaction information is shared only to the extent required for the Company to provide those intermediary services, and is not shared with any principal investment department of the Company. To ensure the effectiveness of these restrictions and to avoid transactions that may cause conflicts of interest, the Company takes measures including compliance monitoring by the Compliance department and other control functions.