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Preamble

Gold as an investment product plays an important role for retail investors in Singapore. Furthermore, Singapore is increasingly attracting international capital, a portion of which will likely be invested in gold that is physically stored as client property in Singapore.

By owning gold, some investors seek long-term value preservation and protection against inflation or currency fluctuations, and they may choose to rely on gold as a vital component of their investment portfolio.

Leading providers of gold investment products have come together to form the Working Group Singapore. They all pursue the common goal of further strengthening the confidence of private investors in gold investment products and in the retail gold market.

A key component in achieving this goal is adherence to principles and guidelines that serve to fulfil investors' interests. Responsible providers of gold investment products treat customers fairly and act with integrity. The protection of customer assets is paramount. Responsible providers comply with all legal requirements, operate with professionalism, and exercise commercial prudence. Responsible procurement of gold according to environmental, social, and corporate governance criteria, among others, is a matter of course.

The principles and guidelines for gold investment product providers are defined for the Singapore market in the form of a code of conduct (the "Code"). The Code is based on the Retail Gold Investment Principles, which the World Gold Council developed in cooperation with stakeholders worldwide. The WGC has been the leading authority on gold for over 30 years and strives to improve understanding of, access to, and trust in gold.

The members of the Working Group Singapore are committed to the Code, which has principles and guidelines that go far beyond legal requirements and benefits their customers. A written commitment to comply with the Code is a prerequisite for membership in the Working Group. Member signatures will be publicly viewable by investors and other stakeholders. The Code is available for all providers of retail gold investment products. Securitised gold investment products like Gold Exchange Traded Commodities (Gold ETCs) are not in scope. A key characteristic of a retail gold investment product is that it confers outright legal ownership of physical gold to the investor.

The Working Group Singapore members take the Code into account in their policies, business models and operations. Compliance with the Code is determined annually by external auditors and confirmed in writing. In the event of a breach of the Code by a member of the Working Group, the Board of the Working Group shall decide on appropriate measures, which may include expulsion from the Working Group.

Upon independent confirmed compliance with the Code, a provider is declared certified by the working group and the provider is allowed to use the working group's certification mark. The provider may, for example, publish the mark on its website.

The Code will come into force on 15.12.2022 and will be revised as necessary to adapt it to changing market requirements.

The Retail Gold Investment Principles

The Code is based on the international Retail Gold Investment Principles of the World Gold Council, which are freely accessible on the internet at <https://retailinvestment.gold/>.

The respective principles of the Code of Conduct are as follows:

Principle	Description
1 Fairness and integrity	We treat our customers fairly and act with integrity, from information and service provision through transaction completion.
2 Transparency	We are transparent with customers about prices and key terms and disclose other material information related to product features.
3 Protection of customer assets	We ensure adequate protection of our customers' gold holdings and other assets including cash held on behalf of customers.
4 Responsible gold sourcing	We source gold of high integrity gold from trustworthy suppliers, whilst considering Environmental, Social and Governance (ESG) criteria.
5 Regulatory compliance	We adhere to all applicable regulations and local laws.
6 Commercial prudence	We do not take excessive risks and are prepared for various eventualities including a company wind-down.
7 Operational professionalism	We conduct our business with due skill, care, and diligence, and manage key risks.

The Retail Gold Investment Principles were adapted and further specified by the working group for the Singapore market to create the Code.

Further guidance on the operational implementation is described in the Addendum to this Code.

Code of Conduct

Principle 1 - Fairness and integrity

We treat our customers fairly and act with integrity, from information and service provision through transaction completion.

Fair marketing

- 1.1. We promote offerings clearly and fairly to customers by representing key product characteristics, including safeguards and potential risks. We do not pressure customers or use manipulation tactics. We do not make use of, or condone companies that engage in buying or creating fake online reviews

Education and support

- 1.2. We provide customers with relevant education or training about our products or platforms, as well as on gold as an asset class in general. We are reachable for our customers and offer support, where necessary.

Fair pricing and fees

- 1.3. We charge fair prices and ensure that all fees are appropriate. We provide customers with sufficient information so that they can understand and assess prices properly.

Fair trading and settlement

- 1.4. We optimise liquidity and prices for customers. We provide clear information on transaction completion, settlement times and terms. We minimise related risks for customers.

Avoidance of conflicts of interest

- 1.5. We avoid conflicts of interest and prevent corruption or bribery.

Principle 2 - Transparency

We are transparent about prices and key terms and disclose other material information related to product features.

Fees and terms transparency

- 2.1. We provide clear information about fees, terms, and conditions so that customers can make informed investment decisions. Information should include fee components, base¹ and purchase prices and investor rights.

Disclosure

- 2.2. We disclose material corporate information to customers, prospects, and other stakeholders, such as service providers. We disclose our legal structure. We provide relevant information about key personnel and key safety aspects, where applicable.

¹ The base price for gold is equal to the local trading price.

Principle 3 - Protection of customer assets

We ensure adequate protection of our customers' gold holdings and other assets including cash held on behalf of customers.

Safekeeping of customer assets

- 3.1. We protect any assets held on customers' behalf. This applies to investment gold that has been purchased but not yet collected or delivered. It applies to gold that is being delivered to customers, and gold held in custody on customers' behalf. And it applies to cash held for customers, before, during or after a gold purchase or sale.

Insurance and other risk mitigation

- 3.2. We procure adequate insurance for business operations and gold holdings to protect customers directly and indirectly. This is especially relevant when safekeeping investor assets, such as gold or cash. We procure insurance where this is determined to be necessary to satisfy potential business claims.

Classification of ownership

- 3.3. We provide clear transparency what the legal claim of the customer is in regard to his/her bullion stored by requiring the following categorizations to be made public:

3.3.1. Allocated / Customer Property – this refers to bullion (e.g. bars) which is individually marked and is legally the property of the client. Allocated bullion cannot be on the balance sheet of the account provider, cannot be encumbered, unless the client consents, and cannot be claimable by the account provider creditors in case of default.

3.3.2. Unallocated – *refers to storage programs where a client is a creditor to the account provider. The account provider might fully back their liabilities to clients or not.*

~~Encumbrance of Customer Assets~~

~~Assets held in custody for customer shall not be encumbered or used for purposes other than holding it for the customer without this being transparently made known to the customer~~

Principle 4 - Responsible gold sourcing

Ware determined to source gold of high integrity from trustworthy suppliers, whilst considering Environmental, Social and Governance (ESG) criteria.

High-integrity gold

- 4.1. We only buy and sell high quality, authentic products, whose integrity can be verified.

Trustworthy suppliers

- 4.2. We conduct due diligence and ongoing monitoring of gold suppliers to ensure they have genuine integrity.

Environmental, Social and Governance criteria

- 4.3. We consider the Environmental, Social and Governance (ESG) credentials of products and suppliers according to existing ESG standards.

Principle 5 – Regulatory compliance

By law all dealers in gold, silver and platinum must be regulated by the Ministry of Law under the Precious Stones and Precious Metals (Prevention of Money laundering and Terrorism Financing) Act 2019 and adhere to the Act's AML/KYC requirements. In addition to these legal requirements we follow these principles:

Know-Your-Customer (KYC) and Anti-Money-Laundering (AML) controls

- 5.1. We adhere to global and local regulations by preventing, detecting, or reporting any money laundering activities. We establish robust controls and compliance functions. We collect and keep customer records, as and where required.

Compliance with regulations and laws

- 5.2. We comply with any additional applicable regulations and laws in all markets served, such as consumer protection, taxation, financial services regulation. We document compliance procedures.

Principle 6 – Commercial prudence

We do not take excessive risks and are prepared for various eventualities including a company wind-down.

Adequate financial resources

6.1. We monitor and maintain adequate financial resources to meet any liabilities, especially with regard to customers' claims. Resources should include safety buffers for unexpected events.

Limited risk-taking

6.2. We limit risks, such as those which can arise from unhedged gold stock positions or foreign exchange holdings, so that even adverse conditions do not threaten customers' assets and claims of our customers or the continuity of the company's operation.

Wind-down planning

6.3. We are prepared for potential wind-down scenarios, including involuntary market exit or company collapse. The key objective is to avoid or minimise any negative impact on customers.

Principle 7 – Operational professionalism

We conduct our business with due skill, care, and diligence, and manage key risks.

Sound risk management

7.1. We identify key risks for the company and its customers and manage them on an ongoing basis. We implement adequate measures for risk mitigation.

Physical security

7.2. We ensure adequate physical protection of assets. In addition to the safekeeping of valuables, this includes physical protection of IT infrastructure, as well as sensitive information, such as customer data.

Reliable information technology

7.3. We invest in adequate information technology systems and processes so that sensitive data is protected. We implement cyber-security best practices and are prepared for IT emergencies, including system failures.

Diligent outsourcing

7.4. We choose third-party service providers and contractual terms carefully and monitor providers closely. We disclose information on key service providers, such as vault operators, to customers if they can significantly affect customer experience or pose material risks.

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