

**SDAX VERSION 1.2**  
**VERSION DATE: OCTOBER 2022**



**SDAX Exchange Pte. Ltd.**

# **Listing Rules**

**OCTOBER 2022**

## **Listing Rules**

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1. **General**

1.1 **Purpose and scope**

- (a) The Listing Rules seek to enable the Exchange to exercise its principal function of providing a fair, orderly and transparent market for the trading of Security Tokens on the Platform.
- (b) The Listing Rules set out the requirements and obligations which apply to Issuers and Applicants.

1.2 **General principles**

- (a) The Listing Rules seek to secure and maintain confidence in the market. The following sets out the general principles that underpins the Listing Rules:
  - (i) Issuers shall have minimum standards of quality, operations, management experience and expertise, in order to uphold the reputation and integrity of the Platform and the Exchange, and to promote the confidence of Participants;
  - (ii) Participants shall be given all information that they would reasonably require to make an informed assessment of the Issuers and the Security Tokens;
  - (iii) Issuers shall disclose information that a reasonable person would expect to have a material effect on the price or value of their Security Tokens;
  - (iv) All holders of Security Tokens shall be treated fairly and equitably;
  - (v) Directors of an Issuer shall act in the best interests of shareholders (and holders of Security Tokens) as a whole, particularly and notwithstanding where a director or substantial shareholder of an Issuer has a material interest in a transaction entered into by the Issuer; and
  - (vi) The listing and trading of Security Tokens shall be conducted in a fair and equitable manner.
- (b) Suitability for listing depends on many factors. Compliance with the Listing Rules may not in itself ensure an Applicant's suitability for listing. The discretion to accept or reject applications shall rest solely with the Exchange and, in reaching its decision, shall have regard to the general principles outlined in Rule 1.2(a). For the avoidance of doubt, in the event that the Exchange rejects an application, it may, if it considers it appropriate, disclose the reasons for its decision but is under no obligation to do so.
- (c) In the observance of the Listing Rules and in areas or circumstances not explicitly covered by any Rule, all Issuers and Applicants shall guide themselves not only by the letter but also the spirit of the Listing Rules.

1.3 **Administration of rules**

- (a) The Listing Rules are interpreted, administered and enforced by the Exchange, and the decisions and requirements of the Exchange are conclusive and binding on the Issuers and Applicants. In the event of any inconsistency between parts of the Exchange Requirements, such inconsistency shall be resolved by the Exchange, and such resolution is conclusive and binding on the Issuers and Applicants.

- (b) The Exchange may, from time to time, issue circulars to provide guidance on the interpretation and application of any rule, amend existing rules or introduce new rules, provide a more detailed prescription of a rule, amend existing circulars, or propose transitional arrangements in relation to any amended or new rule. Such circulars or amendment notices shall be published on the Platform and will take effect from the date of publication, or such later date that the Exchange may specify, unless and until such circular is specified to be revoked by the Exchange. The Listing Rules are to be read together with any such circulars. The Issuers and Applicants acknowledge that it is their responsibility to regularly check the Platform for circulars issued by the Exchange, and comply with the same.
- (c) The Exchange may impose additional requirements on Applicants, Issuers or Security Tokens, or make any listing subject to special conditions whenever it considers it appropriate.
- (d) The Exchange may establish committees or appoint such persons to monitor and enforce the Listing Rules, or to otherwise assist in the operation of the Platform, and may delegate any power or role that it holds under the Listing Rules to any such committee established or person appointed.

#### **1.4 Waiver of rules**

- (a) The Exchange may at its discretion waive or modify compliance with a rule either generally or to suit the circumstances of a particular case. The Exchange may grant a waiver subject to such conditions at its discretion.
- (b) An Applicant or Issuer seeking a waiver must submit to the Exchange a request for waiver which must:
  - (i) be made in writing and addressed to the Exchange;
  - (ii) be made at least 10 Business Days before the proposed waiver is sought to take effect;
  - (iii) contain the reasons for seeking the waiver; and
  - (iv) include:
    - (A) all information relevant to the request;
    - (B) copies of all documents relevant to the request; and
    - (C) details of any special circumstances or requirements, e.g. time period for which waiver is sought.

#### **1.5 Amendment of rules**

- (a) The Listing Rules may be amended by the Exchange from time to time at its discretion.
- (b) Amendments to the Listing Rules shall be published on the Platform and will take effect from the date of publication, or such later date specified by the Exchange.
- (c) The Exchange is under no requirement or obligation to notify any person through any means other than as specified in Rule 1.5(b) before making any amendment to the Listing Rules. It

is the responsibility of Issuers and Applicants to regularly check the Platform to be notified of any updates to the Listing Rules.

- (d) Where any part of the Listing Rules is amended or deleted, any proceedings, investigation, disciplinary or enforcement action in respect of:
  - (i) a right, privilege, obligation or liability acquired, accrued or incurred under the relevant rule in force at the time it was acquired; or
  - (ii) a breach of, or act of misconduct under, the relevant rule in force at the time that breach or misconduct occurred,may be instituted, continued or enforced, and any disciplinary action or penalty in respect of such breach or act of misconduct may be imposed and carried out by the Exchange, as if the relevant rule had not been amended or deleted.
- (e) The Exchange's rights to vary, amend or rescind the Listing Rules may be exercised without the consent of any other person or entity.

#### 1.6 **Exclusion of liability**

- (a) The Exchange shall have no liability for:
  - (i) any warranties or representations made by an Issuer; and
  - (ii) any announcements published or released on behalf of an Issuer.
- (b) The Exchange shall not be responsible to check the accuracy of the contents of any document or announcement published or released by an Issuer, and the Issuer shall indemnify the Exchange for any loss and damages arising from any such document or announcement, including any arising as a result of legal proceedings brought by any third party.
- (c) The Exchange shall have no liability to any Applicant, Issuer or to any other person for any act done or omitted to be done in the performance of its functions under the Listing Rules. Without prejudice to the generality of the foregoing, in no event will the Exchange have any liability whatsoever to an Applicant or an Issuer, for claims for damages made against an Applicant or an Issuer by third parties, regardless of the basis on which the Applicant or Issuer is entitled to claim damages, whether based on contract, tort or any other legal or equitable grounds. The Exchange does not undertake any contractual obligations to any party other than those with whom it has entered into contractual relations.
- (d) Without prejudice to other parts of the Listing Rules, the Exchange, and its related corporations and any of their directors, officers, employees, representatives, committees established or persons appointed by the Exchange, third party service providers and agents (collectively "Indemnitees") shall not be liable to any person for any losses, liabilities, damages, costs or expenses (including any direct, indirect, incidental, special, consequential or punitive damages or economic loss or any claims for loss of profits or loss of use, even if advised on the possibility of such loss or damage) whatsoever or howsoever caused (regardless of the form of action) arising directly or indirectly from or in connection with the Platform (including the operation thereof), any Applicant or Issuer (including any action taken by, or any inaction of, such Applicant or Issuer), and/or any of the following:

- (i) any breach of or delay or failure to comply with the Listing Rules by any Indemnatee or any of the Applicants or Issuers, any action taken by, or any inaction of, any Indemnatee or any of the Applicants or Issuers in connection with the Listing Rules or any applicable law;
  - (ii) any claim made by any Applicant, Issuer or person on the basis of the Listing Rules;
  - (iii) any negligent act or omission or wilful default, misconduct or fraud or unlawful act of any Indemnatee, Applicant or Issuer;
  - (iv) any breach of any warranty or representation made by any person in any of the Listing Rules;
  - (v) any suspension, interruption or closure of the Platform caused by any reason;
  - (vi) the exercise of a decision-making or regulatory power or discretion under the Listing Rules;
  - (vii) the exercise or non-exercise by an Indemnatee of any decision-making power or discretion;
  - (viii) any determination, decision or ruling of any Indemnatee and/or committees established or persons appointed by the Exchange;
  - (ix) any failure, error, omission or negligence of any Indemnatee (including the malfunction of the Platform, Blockchain, Smart Contract, Wallet, and/or Security Tokens);
  - (x) any Applicant or Issuer's use, misuse or inability to use the Platform;
  - (xi) any technical, system, server or connection failure, error, omission, interruption, delay in transmission, computer virus or other malicious, destructive or corrupting code, agent program or macros;
  - (xii) any Participant or Issuer's failure to implement reasonable measures to secure its Security Tokens, (if applicable) or the relevant access credentials or any loss of or unauthorised use of any access credentials;
  - (xiii) any technical and/or system failure of the Platform, Blockchain, Wallet, and/or Smart Contract;
  - (xiv) anything done (including any statement made) or omitted to be done in the course of, or in connection with, the discharge or purported discharge of the Exchange's obligations or rights under the SFA or any other applicable law, or under the Listing Rules;
  - (xv) any claim by any third party against any of the Indemnitees arising from the circumstances specified in any of the sub-clauses above.
- (e) Notwithstanding Rule 1.6(d) and any other provision of the Exchange Rules, at no time shall any Indemnatee be liable or responsible to any person for any and all pure economic loss, loss of profits, fall in the price of Security Tokens, equitable compensation, loss of business, or any other direct, indirect or consequential losses whatsoever and howsoever caused

(including whether or not resulting from any negligence, fraud or wilful default on the part of any Indemnitee) which arise out of or in connection with the Listing Rules.

- (f) A person who is not bound by or required to comply with the Listing Rules shall have no right under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore or other similar laws to enforce any of these Listing Rules, regardless of whether such person has been identified by name, as a member of a class of persons or as answering a particular description. For the avoidance of doubt, nothing in this rule shall affect the rights of any permitted assignee or transferee of the person, who is bound by or required to comply with this Listing Rules.

## 1.7 Notices

- (a) All notices, applications or other communications required to be given or made to the Exchange shall be in writing and delivered personally or sent by prepaid registered post (by air-mail if to or from an address outside of Singapore) with recorded delivery, or by e-mail transmission addressed to the Exchange thereof at its e-mail address set out below (or to such other e-mail address from time to time as notified by the Exchange). Any such notice, applications or communication shall be deemed to be duly served (if delivery personally or given or made by e-mail) immediately or (if delivered by pre-paid registered post) 60 hours after posting or (if made or given to or from an address outside of Singapore) 10 days after posting and in proving the same it shall be sufficient to show that personal delivery was made by producing an acknowledgement of receipt by the intended recipient or that the e-mail transmission was properly sent, subject to there being no receipt of any bounce-back notification from the notification from the intended recipient. The address and e-mail address of the Exchange is as follows:

Address : 5 Temasek Boulevard #12-01 Suntec Tower Five, Singapore 038985

E-mail address : listing@sdax.co

## 1.8 Governing law

- (a) The Listing Rules shall be governed by and construed in accordance with the laws of Singapore.
- (b) Any dispute arising out of or in connection with the Listing Rules, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Rule 1.8(b). For the avoidance of doubt, each person subject to the Listing Rules expressly waives the right to appeal the decision of any arbitration under this Rule 1.8(b).
- (c) The Tribunal shall consist of one arbitrator and the language of the arbitration shall be English.
- (d) The seat of the arbitration shall be Singapore.

## 2. Definitions and interpretation

### 2.1 Definitions

- (a) The following terms shall have the following meanings when used in the Listing Rules unless the context otherwise requires:

<b>“Applicant”</b>	a person seeking admission as an Issuer and the listing of its Security Token on the Exchange
<b>“associated company”</b>	a company in which at least 20% but not more than 50% of its shares are held by the listed company or group
<b>“Business Day”</b>	a day on which banks are open for general banking business in Singapore (not being a Saturday, Sunday or public holiday in Singapore)
<b>“Blockchain”</b>	a digital ledger of transactions or data established through distributed ledger technology that is established by a computer network protocol proprietary to the Exchange maintaining direct connections between various computational devices (a.k.a. nodes) that participate in an agreed consensus algorithm to contain the common digital ledger
<b>“control”</b>	the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<b>“controlling shareholder”</b>	<p>a person who:</p> <ul style="list-style-type: none"><li>(i) holds, directly or indirectly, no less than 15% of the nominal amount of all voting shares in a company (unless the Exchange determines at its discretion that a person who satisfies this criterion is not to be considered a controlling shareholder); or</li><li>(ii) in fact, exercises control over a company</li></ul>
<b>“controlling unitholder”</b>	<p>in the case of an Investment Fund, a person who:</p> <ul style="list-style-type: none"><li>(i) holds directly or indirectly 15% or more of the nominal amount of all voting units in the Investment Fund; or</li><li>(ii) in fact exercises control over the Investment Fund.</li></ul>
<b>“Exchange”</b>	SDAX Exchange Pte. Ltd. (UEN: 201914688R)
<b>“Exchange Requirements”</b>	the Listing Rules, the Exchange Rules, the Platform Terms and Conditions, and any other terms, rules and requirements that are published or issued by the Exchange pertaining to Participants, Applicants and/or Issuers, the listing of Security Tokens and/or the Platform, as may from time to time be amended, modified, supplemented or replaced
<b>“Exchange Rules”</b>	the provisions of the rulebook entitled “Exchange Rules” that are published by the Exchange, which set out the requirements and obligations applying to Participants and Issuers, as may



from time to time be amended, modified, supplemented or replaced

**“Formal Notice”**

any notice published on the Platform and sent via email to the contact details registered with the Exchange, to each Participant or Issuer, in respect of any matter required by the Exchange Rules or the Listing Rules or required by the Exchange in respect of any circumstances that the Exchange determines should be the subject of a Formal Notice

**“group”**

the Issuer and its subsidiaries, unless specifically defined otherwise

**“independent”**

for the purposes of these Rules, a person is considered “independent” where such person does not fall within any of the following categories:

- (i) if he is employed or has been employed by the Exchange or any of its related corporations in the current or any of the past three financial years;
- (ii) if he has an immediate family member who is employed or has been employed by the Exchange or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the Exchange;
- (iii) if he or any person associated with him (as defined in section 3 of the SFA) is a substantial shareholder.

**“Investment Fund”**

means a collective investment scheme and includes an investment company, fund management company and a business trust

**“Issuer”**

means a person issuing or proposing to issue Security Tokens who has been approved for this in accordance with the Exchange Rules and whose status as an Issuer is valid and subsisting (where or not suspended).

**“Issuer’s Information”**

information relating to an Issuer, including the Issuer’s particulars and announcements made on the Platform

**“key officers”**

the management team (excluding directors), including its chief executive officer, chief financial officer, chief operating officer and any other individual, regardless of title, who (a) performs or has the capacity to perform any function or responsibility equivalent to that of the foregoing persons, or (b) is responsible for ensuring that the issuer complies with its obligations under the Exchange Requirements

**“Listing Agreement”**

the listing agreement between the Applicant and the Exchange to be executed prior to the listing of Security Tokens on the Platform.

<b>“Listing Department”</b>	means the listing department of the Exchange responsible for reviewing listing applications made by Applicants.
<b>“Listing Rules”</b>	the provisions of this rulebook as may from time to time be amended, modified or supplemented
<b>“MAS”</b>	the Monetary Authority of Singapore
<b>“Participant”</b>	a person who has been approved in accordance with the Exchange Rules to open a trading account on the Platform and whose trading account is valid and subsisting (whether or not suspended)
<b>“Platform”</b>	the platform(s) operated by the Exchange which allows for the trading of Security Tokens, and the viewing of Issuer’s Information, trades and other related information on the Smart Contract. “Platform” includes the online platform which is accessible at such location as may be prescribed by the Exchange from time to time
<b>“Platform Terms and Conditions”</b>	the terms and conditions for use of the Platform as may from time to time be amended, modified, supplemented or replaced
<b>“Security Token”</b>	a unique Smart Contract designated with a unique Smart Contract Address that has been created to represent the holdings of securities issued by the Issuer, which may include equity, debt securities, or other investment instruments
<b>“SFA”</b>	the Securities and Futures Act (Chapter 289) of Singapore and any statutory modification or enactment thereof
<b>“Smart Contract”</b>	the computer code which is executable in an Ethereum Virtual Machine and validated by the Blockchain, and used to digitally create and maintain the ledger data reflecting the ownership, transfer and transactions of Security Tokens and cash balances of the Participants on the Platform
<b>“Smart Contract Address”</b>	a unique identifier that is generated upon the creation of a Smart Contract that is used for the purposes of various functions within the Smart Contract
<b>“substantial shareholder”</b>	a person who has an interest or interests in one or more voting shares where the total votes attached to such shares are not less than 5% of the total votes attached to all the voting shares
<b>“substantial unitholder”</b>	means a person who has an interest or interests in one or more voting units in an Investment Fund, where the total votes attached to such unit(s) are not less than 5% of the total votes attached to all the voting units in such Investment Fund
<b>“S\$”</b>	Singapore dollars

<b>“Walkaway Period”</b>	the Walkaway Period shall have the meaning ascribed to it at Rule 6.3(d) of the Listing Rules
<b>“Wallet”</b>	in relation to a Participant or Issuer, the digital account on the Platform, issued to each Participant or Issuer; a Wallet stores such Participant’s or Issuer’s information about their ownership with respect to the relevant Security Tokens and cash balances

## 2.2 'Interpretation

- (a) Unless the context requires otherwise:
- (i) headings and labels are for convenience only, and do not affect interpretation;
  - (ii) words importing the singular include the plural and vice versa, and words importing the masculine include any gender;
  - (iii) a reference to the Listing Rules includes any document that is ancillary to the Listing Rules, or any agreement or other legally enforceable arrangement created by the Listing Rules or under the Listing Rules;
  - (iv) a reference to the Listing Rules includes any consolidations, amendments, re-enactments or replacements of such rules;
  - (v) the meaning of general words is not limited by specific examples introduced by expressions such as, “including”, “for example”, “such as”, or such similar expressions, and the word “includes” or “including” as used in the Listing Rules shall be construed to mean “includes without limitation” or, as the case may be, “including without limitation”;
  - (vi) a reference to a “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority;
  - (vii) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
  - (viii) a reference to “law” includes common law, principles of equity and legislation (including regulations, rules, by-laws, ordinances and proclamations) and includes any consolidations, amendments, re-enactments or replacements of any of them;
  - (ix) a reference to “in writing” means in legible form and capable of reproduction on paper, and includes electronic communication;
  - (x) a reference to “material” includes the ability to affect the outcome of a decision or an application;
  - (xi) a reference to anything (including an amount) is a reference to the whole and each part of it; a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
  - (xii) if a person must do something on or by a given day and it is done after 5.00 p.m. (Singapore time), it is taken to be done on the next Business Day;

- (xiii) if the day on which a person must do something is not a Business Day, the person must do it on the next Business Day; and
  - (xiv) notwithstanding anything to the contrary, where any right of the Exchange is specified to be at its “discretion”, shall be construed to refer to the “sole, unfettered and absolute discretion” of the Exchange; any determination to be made by the Exchange or any exercise by the Exchange of any rights or entitlement may be made at the sole, unfettered and absolute discretion of the Exchange and, in every case, shall be conclusive and binding on the Applicants and Issuers.
- (b) Where the obligations and requirements imposed by the Listing Rules are stricter than the provisions of any relevant law or regulation in force, Applicants and Issuers shall be required to comply with such stricter obligations and requirements, provided that such stricter obligations and requirements are not in conflict with the provisions of any such law or regulation, and in the case of such conflict, such law or regulation shall prevail.

### 3. **Applicant requirements for Issuers**

- 3.1 All Applicants seeking to be admitted as Issuers shall comply with the following general requirements:
- (a) the Applicant shall be duly incorporated, established and/or registered in acceptable jurisdictions;
  - (b) the Applicant shall have its place of principal activity in acceptable jurisdictions;
  - (c) where the Applicant is listed on another exchange, the Applicant shall be compliant with the rules of that exchange;
  - (d) the directors and key officers of the Applicant shall pass all relevant checks with respect to anti-money laundering and countering the financing of terrorism, and be of sufficient competence, integrity and financial standing;
  - (e) the Applicant must ensure that it does not engage in conduct or trading activity that will compromise the Exchange’s objectives of operating a fair, orderly and transparent market. This includes but is not limited to doing anything, causing anything to be done or engaging in any course of conduct that creates, or is likely to create a false or misleading appearance of active trading in the securities tokens, and/or acting in any manner which contravenes any applicable market conduct legislation including but not limited to Part XII of the SFA.
  - (f) Each listing application must contain the requisite documents as set in Schedule 3 of the Listing Rules and such other documents as the Exchange may require from time to time.
  - (g) Applicants shall also comply with additional requirements applicable to the type of listing, as set out in Schedule 1 of the Listing Rules.

### 4. **Token requirements**

- 4.1 A Security Token, at the point of issuance, must be free from any claim, charge, mortgage, lien, option, equity, power of sale, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing. For the avoidance of doubt, it is the Security Token that must be free from the encumbrances as stated in the foregoing and not the underlying asset of the Security Token.

4.2 The Exchange reserves the right to reject or remove any Security Token from listing on the Platform.

5. **Listing fees and charges**

5.1 Applicants and Issuers must pay such fees and charges as the Exchange may prescribe. The Exchange may waive or vary any fee or charge at its discretion.

5.2 The fees payable are published by the Exchange on its website at [www.sdax.co/faqs](http://www.sdax.co/faqs)

6. **Application for listing of Security Tokens**

6.1 **Pre-application consultation**

- (a) Prior to making an application for listing of Security Tokens, an Applicant shall conduct a pre-application consultation with the Exchange as to whether the Applicant meets applicant requirements and the proposed token for listing meets the Exchange's requirements.
- (b) The Exchange may request further information or documentation as part of the consultation.
- (c) Any guidance the Exchange provides as part of the consultation does not bind the Exchange in assessing an application for listing, and the Exchange bears no responsibility for any such guidance provided. Please refer to Schedule 5 below for an illustrative diagram setting out the process of listing.

6.2 **Submitting an application for listing of Security Tokens**

- (a) An application for listing shall be made to the Exchange by submitting, in final form, all supporting documents, as set out in Schedule 3 of the Listing Rules (in particular an information memorandum setting out the details required in Schedule 4), and any other documents the Exchange may require.
- (b) An Applicant shall pay the application fee in respect of an application for listing, as specified by the Exchange.
- (c) The Exchange shall only assess applications when all requisite documents have been received and the application fee has been paid.
- (d) In assessing the application for listing, the Exchange may require from the Applicant additional information, take into account any information that it considers necessary or relevant, request that any information provided by the Applicant be verified in such manner as the Exchange may specify, and impose any additional conditions on the Applicant that it considers appropriate.
- (e) By making an application for listing, an Applicant authorises the Exchange to request such further information, documentation or other evidence from the Applicant or any other person, as the Exchange may consider in its sole discretion necessary or relevant to such application.
- (f) The Listing Department of the Exchange will review each application for listing. The Listing Department shall comprise at least three members with appropriate experience. In its review of each listing application, the Listing Department will take into consideration the factors set out in Rule 6.3(b). The decision of the Listing Department shall be the decision of the Exchange.

### 6.3 Decision

- (a) The Exchange may grant or refuse the application for listing. The Exchange's approval may be subject to the fulfilment of certain conditions which the Exchange may specify.
- (b) In order to be granted approval for listing, the Exchange must be satisfied that:
  - (i) the Applicant meets all relevant requirements for application;
  - (ii) the proposed Security Token to be listed on the Platform meets all relevant token requirements;
  - (iii) the listing of the Applicant's Security Tokens by the Exchange would not be detrimental to the interests of the Participants, the integrity of the Platform, or the reputation of the Exchange.
- (c) The Exchange shall notify the Applicant of its decision on the application for listing.
- (d) If, at any time between the publication of an information memorandum in respect of a Security Token offering and the time that the relevant Security Tokens are issued, (i) there is a material change affecting any matter contained in the information memorandum, the inclusion of which would be required by these Listing Rules or otherwise by the Exchange, or (ii) a material new matter arises, the inclusion of such information in the information memorandum would be required by these Listing Rules or otherwise by the Exchange, the Issuer shall submit a supplementary information memorandum for approval by the Exchange for publication and in such event:
  - (i) the Issuer shall permit a Participant who has submitted a purchase request for the relevant Security Token to withdraw such purchase request within a period specified, as the Issuer deems fair and equitable, in its supplementary information memorandum from the time the Issuer publishes such supplementary information memorandum on the page relating to the offering ("Walkaway Period"). Notwithstanding any terms and conditions of the issuance, the offering shall not be closed by the Issuer prior to the expiration of the Walkaway Period; and
  - (ii) the Issuer shall announce on the page relating to the offering, and procure a notification to all such Participants by way of email via the Exchange of, the publication of the supplementary information memorandum and the Participants' rights as referred to in Rule 6.3(d)(i).
- (e) As soon as practicable after the Applicant receives approval from the Exchange, the Applicant will sign a Listing Agreement with the Exchange.
- (f) Upon receipt of the Exchange's approval for listing, the Applicant must issue its Security Tokens within 60 days from the date of receipt of the Exchange's approval. In the event that the Applicant does not comply with the foregoing, it will be required to make a fresh application for listing with the Exchange. The Exchange may extend this period at its sole discretion in writing upon appeal by the Applicant if it is unable to issue the Security Tokens within the time frame set out above.

### 6.4 Secondary Listing

- (a) The listing on the Exchange may be a primary or secondary listing.

- (b) An Applicant applying for a secondary listing must already be listed or will be concurrently listed on an exchange (referred to as the “home exchange”) and must be, or will be, subject to the listing rules (or any other rules and/or regulations of the relevant jurisdiction) of the home exchange to which it maintains its primary listing.
- (c) The Applicant with a secondary listing on the Exchange may not need to comply with the Listing Rules, provided that:
  - (i) upon the Exchange’s review of the listing rules (and any other rules and/or regulations of the relevant jurisdiction) of the home exchange, the Exchange decides that the Applicant need not comply with the Listing Rules; and
  - provided that the Applicant undertakes to:
    - (ii) release all information and documents in English to the Exchange at the same time as they are released at the home exchange; and
    - (iii) comply with such other listing rules as may be specified by the Exchange from time to time (whether before or after the listing).
- (d) For secondary listings, the financial statements submitted with the listing application, and future periodic financial reports, need only be reconciled to SFRS(I)s, IFRS or other financial reporting standards that is accepted by the Exchange.

## 6.5 **Electronic submission**

- (a) All requests for guidance and applications for admission shall be submitted electronically to the Exchange via such channel as the Exchange may specify.

## 7. **Continuing issuer obligations**

### 7.1 **Compliance with rules**

- (a) An Issuer shall, at all times, comply with the Listing Rules and cooperate with the Exchange.
- (b) An Issuer shall perform its obligations under the Listing Rules promptly, and within any stipulated time for performance expressly stated.
- (c) An Issuer shall promptly inform the Exchange if it does not, or may not, comply with the Listing Rules applicable to it.
- (d) An Issuer agrees that it shall take independent advice with regard to the applicable offering requirements and shall ensure that the proposed offering of Security Tokens is in compliance with all applicable laws and regulations, including but not limited to the Securities and Futures Act (Chapter 289), and any other applicable laws and regulations where the Security Tokens are offered or issued to persons outside Singapore.
- (e) An Issuer confirms that all information it provides for the purposes of listing and on an ongoing basis is true and accurate and must update the Exchange promptly as and when there are any material changes in the information provided.

### 7.2 **Compliance with laws**

- (a) Where an Issuer is relying on a specific prospectus registration exemption to offer its Security Token to Participants, the Issuer shall ensure that all conditions required for the invocation of the prospectus registration exemption (including all advertising restrictions) are complied with.

### **7.3 Compliance with undertakings**

- (a) An Issuer shall comply with all undertakings made in its Security Token terms and conditions.

### **7.4 Cooperation with the Exchange**

- (a) An Issuer must promptly provide to the Exchange:
  - (i) any information that the Exchange considers appropriate in order to safeguard the interests of the Participants and/or ensure the smooth and orderly operation of the Platform;
  - (ii) any other information or explanation that the Exchange may reasonably require to verify whether the Listing Rules are being, or have been, complied with; and
  - (iii) any information required for the purposes of complying with any applicable law, regulation, directive or pursuant to any formal or informal order, direction, or request by any applicable court, government or regulatory authority. This includes but is not limited to any applicable anti-money laundering requirements, or any applicable tax disclosure or reporting obligations.

### **7.5 Equal treatment for Participants**

- (a) An Issuer must take all reasonable steps to ensure equal treatment for all Participants in respect of its Security Tokens.

### **7.6 Notification requirements**

- (a) An Issuer shall notify the Exchange of any material changes, proposed or otherwise, in relation to:
  - (i) the general character or nature of the operation of its business or corporate structure;
  - (ii) the general character or nature of its Security Tokens; and
  - (iii) any plans or activities relating to fundraising or token sales.
- (b) The Issuer shall notify the Exchange of any matter of which the Issuer is aware if it may have a material adverse effect on the interests of Participants.
- (c) On receiving any information described under Rule 7.6(a) or where the Exchange deems appropriate, the Exchange may, at its sole discretion:
  - (i) suspend the listing and/or trading of the relevant Security Token;
  - (ii) remove the relevant Security Token from the Platform; or



- (iii) direct the relevant Issuer to publish, such information, in such form and within such time limit as the Exchange may consider appropriate.
- (d) If an Issuer fails to comply with any direction issued by the Exchange under Rule 7.6(c)(iii) promptly, or otherwise within the time limit that may be stated in such direction, the Exchange may itself publish the information that was the subject of the direction.

## **7.7 Disclosure requirements**

- (a) An Issuer shall ensure that disclosure of material information, as set out in Schedule 2 of the Listing Rules, is made on the Platform in a timely manner. The Issuer must call a trading halt on their Security Token prior to making disclosure of such information, and lift the trading halt no earlier than 30 minutes after such disclosure.
- (b) The trading halt cannot exceed 3 Business Days (or such short extension as the Exchange agrees).
- (c) An Issuer must ensure that its directors and executive officers are familiar with the Exchange's disclosure requirements as set out in the Exchange Requirements.
- (d) An Issuer should take all reasonable measures to ensure that all material information is published or otherwise properly disseminated to the Participants in its entirety.
- (e) An Issuer shall act promptly to dispel any rumours that produce unusual market activity or price variations in its Security Token. This includes confirming, denying and/or clarifying the circumstances surrounding such rumour by way of an announcement on the Platform.
- (f) Additional disclosure requirements may apply depending on how the Security Token is structured. Such additional disclosure requirements will be notified to the Issuer by the Exchange prior to the point of listing.

## **7.8 No false or misleading information**

- (a) An Issuer shall ensure that any information it publishes:
  - (i) is complete, true and accurate;
  - (ii) is not false, misleading or deceptive;
  - (iii) does not omit anything likely to affect the meaning or significance of the information; and
  - (iv) does not give rise to facilitate or encourage a false market in the Issuer's Security Token.
- (b) An Issuer shall promptly inform the Exchange and, where applicable, publish a notice of correction on the Platform if it becomes aware of any material mistake, omission or inaccuracy relating to information provided to the Exchange or published on the Platform.

## **8. Voluntary token delisting**

- 8.1 An Issuer seeking to delist its Security Token shall request permission from the Exchange to announce the intended token delisting on the Platform by first sending a formal notice to the Exchange of its intention and providing adequate justifications for the intended delisting.

- 8.2 On receipt of a request under Rule 8.1, the Exchange may require from the Issuer additional information, take into account any information that it considers necessary or relevant, and impose any additional conditions on the Issuer that it considers appropriate.
- 8.3 When the Exchange is satisfied with the information received from the Issuer, the Exchange may grant the Issuer permission to announce the intended token delisting on the Platform. The grant of permission may be subject to the fulfilment of any conditions which the Exchange may specify.
- 8.4 After permission is granted by the Exchange, the Issuer shall call for a trading halt and announce the intended token delisting to Participants via the Platform.
- 8.5 The Issuer shall make a fair and reasonable token buy-back offer, as assessed by an independent licensed financial adviser appointed by the Issuer, to holders of the affected Security Token, in the form of cash balance. If the token buy-back offer is accepted by a majority of at least 75% (or any other percentage majority as determined by the Issuer in its information memorandum, provided always that the minimum percentage majority is 75%) of the total number of the affected Security Tokens held by voting Participants, the Issuer shall proceed with the intended token delisting. If the token buy-back offer does not achieve the requisite level of acceptance, the Issuer shall not be able to proceed with the intended token delisting until and unless it makes a revised token buy-back offer that achieves the requisite level of acceptance.
- 8.6 Where the Issuer's token buy-back offer achieves the requisite level of acceptance such that the token delisting takes place, on the token delisting date, holders of the delisted token will have the delisted Security Tokens removed from their Wallet, and receive the commensurate number of cash balance (in accordance with the accepted token buy-back offer) in their Wallet.

9. **Involuntary token delisting**

- 9.1 The Exchange may require the Issuer to remove its Security Token from the Platform pursuant to Rule 10.1. In such an event, the Issuer must comply with the requirements of this provision.
- 9.2 Upon adopting any action pursuant to Rule 10.1, the Exchange may require additional information from the Issuer for the purposes of imposing additional conditions on the Issuer as it considers appropriate.
- 9.3 When the Exchange is satisfied with the information received from the Issuer, the Exchange may direct the Issuer to conduct a token buy-back offer on such terms and conditions as the Exchange may specify, which may include the appointment of an independent licensed financial adviser by the Issuer for the purposes of advising the Issuer on the fair and reasonable token buy-back offer.
- 9.4 Upon receipt of the Exchange's direction, the Exchange shall direct the Issuer to announce the intended token delisting on the Platform, subject to the fulfilment of any conditions which the Exchange may specify, and the Issuer shall call for a trading halt and announce the intended token delisting to the Participants via the Platform.
- 9.5 On the date of the token delisting, holders of the delisted token will have the delisted Security Tokens removed from their Wallet, and receive the commensurate number of cash balance in their Wallet.

10. **Actions taken by Exchange**

- 10.1 The Exchange may take actions to investigate, suspend or terminate the Issuer or a particular Security Token in its discretion, including but not limited in the following circumstances:

- (a) where the Issuer is unable to continue as a going concern or unable to demonstrate to the Exchange and the holders of the Security Token that it is able to continue as a going concern;
- (b) where the Issuer is unable or unwilling to comply with, or contravenes, a requirement set out in the Listing Rules including the eligibility requirements in these Listing Rules;
- (c) pursuant to a request received by the Exchange from the MAS or an equivalent regulatory authority; or
- (d) where, in the opinion of the Exchange, it is necessary or expedient in the interest of maintaining a fair, orderly and transparent market or it is in the public interest to do so.

10.2 If the Exchange determines that an Issuer has contravened the Listing Rules, and considers it appropriate to impose a sanction, the Exchange may:

- (a) privately censure the Issuer;
- (b) publicly censure the issuer by publishing the censure on the Platform;
- (c) suspend the listing and/or trading of the relevant Security Token;
- (d) remove the Issuer's Security Token from the Platform pursuant to Rule 9.3; and/or
- (e) impose any other sanction (including additional restrictions and/or penalties) that it deems appropriate.

## SCHEDULE 1

### Additional requirements applicable to specific applicant classes

1. Additional requirements
  - 1.1 Unless otherwise waived by the Exchange, in addition to the general requirements set out in Rule 3 of the Listing Rules, an Applicant shall comply with the applicable additional requirements set out in Table 1.
  - 1.2 Apart from the applicable additional requirements set out in Table 1 below, the Exchange may also impose any additional requirements as it considers appropriate.
  - 1.3 In the event that the underlying asset of the proposed Security Token does not fall within any of the categories listed below, the Issuer may seek further consultation from the Exchange on the additional admission requirements.

Table 1 - Additional admission requirements

Type of Listing	Additional Requirements
Debt	<ol style="list-style-type: none"><li>(a) Debt securities must have a principal amount of at least S\$750,000; and</li><li>(b) the Issuer of the underlying debt securities must have at least 2 years operating history or recurring revenue.</li></ol>
Equity	<p>The issuer of the underlying shares must have:</p> <ol style="list-style-type: none"><li>(a) at least 2 years of operating history and evidence of recurring revenues;</li><li>(b) demonstrated the potential for growth in its business; and</li><li>(c) the key officers must demonstrate relevant competencies and reputation in the management of the business.</li></ol>
Investment Fund	<p>An Investment Fund may be incorporated or established in Singapore or in another country. If it is incorporated or established in a foreign country, the Investment Fund may be required to satisfy the Exchange that there are adequate rules governing such Investment Funds.</p> <p>In the case of a Singapore Investment Fund:</p> <ol style="list-style-type: none"><li>(a) the Issuer must obtain the requisite licence or registration with the Monetary Authority of Singapore;</li></ol>

	<p>(b) the Investment Fund must have a minimum asset size of at least S\$5 million; and</p> <p>(c) the fund management company (if there is no management company, the sponsor or trustee) must have been in operation for at least one year; or the persons responsible for managing the investments of the Investment Fund must be reputable and have a track record in managing investments for at least a year.</p>
Business Trust	<p>(a) a minimum asset size of at least S\$5 million;</p> <p>(b) operating revenue (actual or pro forma) in the latest completed financial year (for business trusts that do not have historical financial information may demonstrate that they will be able to generate operating revenue upon its listing); and</p> <p>(c) the trustee-manager (if there is no trustee-manager, the fund management company) must have been in operation for at least one year; or the persons responsible for managing the business trust must be reputable and have a track record in managing investments for at least a year.</p>
ESG – Sustainable Debt	<p>Debt Securities seeking to be classified as ESG (Sustainable Debt) will need to satisfy the relevant requirements as set out in Schedule 5 (ESG) of the Listing Rules.</p>

ESG – Sustainable Funds

Investment Funds seeking to be classified as ESG (Sustainable Funds) will need to satisfy the relevant requirements as set out in Schedule 5 (ESG) of the Listing Rules.

## **SCHEDULE 2**

### **Disclosure requirements applicable to issuers**

1. The Issuer shall announce via the Platform any information known to the Issuer concerning the Issuer's group which:
  - (a) would be likely to materially affect the price or market value of its Security Token when disclosed to the public; or
  - (b) is necessary to avoid the establishment of a false market in the Issuer's Security Token.
2. Bearing in mind the principles under paragraph 1 of this Schedule, the Exchange, as it deems appropriate, may notify the Issuer in advance to make additional disclosures depending on various factors, including but not limited to the structure of the Security Tokens.
3. Paragraph 1 of this Schedule does not apply to information which:
  - (a) would be a breach of law to disclose;
  - (b) is confidential, or a trade secret;
  - (c) relates to an incomplete proposal or negotiation; or
  - (d) is generated for the internal management purposes of the Issuer.
4. An Issuer must immediately make an announcement on the occurrence of any one or more of the following:

#### *General*

- (a) any change of name of the Issuer;
- (b) any change of registered or business address of the Issuer;
- (c) any proposed alteration to the constitutional documents of the Issuer;

#### *Management*

- (d) any appointment, re-designation or cessation of directors, key officers, auditors or authorized representative, with such announcement to include the following details:
  - (i) for appointments:
    - (aa) date of appointment
    - (bb) name of person;
    - (cc) age of person;
    - (dd) country of principal residence;

- (ee) job title (including whether it is executive in nature) and roles and responsibility;
- (ff) a brief write-up of the person's past work experiences, occupations and/or professional qualifications;
- (gg) any shareholding interest in the Issuer and its subsidiaries; and
- (hh) such declarations as the Exchange may prescribe on the Platform from time to time;
- (ii) for cessations:
  - (aa) date of cessation;
  - (bb) name of person;
  - (cc) age of person;
  - (dd) date of appointment to current position;
  - (ee) job title (including whether it is executive in nature) and roles and responsibility;
  - (ff) any unresolved differences in opinion on material matters between the person and the board of directors including matters which would have a material impact on the group or its financial reporting;
  - (gg) any matter in relation to the cessation that needs to be brought to the attention to the token holders of the Issuer;
  - (hh) any shareholding interest in the Issuer and its subsidiaries;
- (e) any appointment or cessation of a person who is a relative of a director or key officer, or a substantial shareholder of the Issuer, to a managerial position in the Issuer or any of its principal subsidiaries, and such announcement must state the job title, duties and responsibilities of the appointee and other information required in paragraph 4(d);
- (f) any promotion of such appointee referred to in paragraph 4(e);

*Acquisitions and realizations*

- (g) any acquisition of shares resulting in (i) a company becoming a subsidiary or an associated company of the Issuer, or (ii) the Issuer increasing its shareholding in a subsidiary or an associated company, providing the information required by Paragraph 4(i) of this Schedule;
- (h) any sale of shares resulting in (i) a company ceasing to be a subsidiary or an associated company of the Issuer, or (ii) the Issuer reducing its shareholding in a subsidiary or an associated company, providing the information required by Paragraph 4(i) of this Schedule;
- (i) the Issuer shall include in the announcement:
  - (i) the name of the company, and the description of any trade carried on;



- (ii) the aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including terms of payment; and

the value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation (if any), the value placed on such asset, the party who commissioned the valuation and the basis and date of such valuation;

#### *Winding up or judicial management*

- (j) any application filed with a court to wind up the Issuer or any of its subsidiaries, or to place the Issuer or any of its subsidiaries under judicial management;
- (k) the appointment of a receiver, judicial manager or liquidator of the Issuer or any of its subsidiaries, or in respect of their respective assets;
- (l) any breach of any loan covenants or any notice received from bankers or the trustee of any debenture holders to demand repayment of loans granted to the Issuer or any of its subsidiaries which, in the opinion of the Issuer's directors, would result in the Issuer facing a cash flow problem;

#### *Use of proceeds*

- (m) the use of the listing proceeds, as and when such funds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated in the issuance documents or announcement of the Issuer and where there is any material deviation from the stated use of proceeds, such reasons for the deviation;

#### *Financial statements*

- (n) the Issuer's unaudited consolidated financial statements for the full financial year immediately after the figures are available and no later than 60 days after the relevant financial period;
- (o) the Issuer's unaudited consolidated financial statements for the first half of its financial year immediately after the figures are available and no later than 45 days after the relevant financial period;
- (p) the Issuers must present the statements in Paragraphs 4(n) and 4(o) of this Schedule in the form presented in their most recently audited annual financial statement, which must include;
  - (i) an income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year;
  - (ii) a statement of financial position (for the Issuer and group), together with a comparative statement as at the end of the immediately preceding financial year;
  - (iii) a statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year; and

- (iv) a statement (for the Issuer and group) showing either all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year;
- (q) the independent auditor's report and annual audited financial statements for the full financial year immediately after the figures are available and no later than 4 months after the relevant financial period;
- (r) any qualifications or emphasis of a matter by the auditors on the financial statements of the Issuer or any of its subsidiaries or associated companies;
- (s) If an Issuer has previously announced its unaudited full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors;
- (t) financial statements must be prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), or International Financial Reporting Standard ("IFRS"), and accounts that are prepared in accordance with IFRS need not be reconciled to SFRS(I)s;

*Redemption, cancellation and distributions*

- (u) the redemption or cancellation of any Security Tokens;
- (v) the details of any distributions to be made;

*Record date*

- (w) any intention to fix a date for the purpose of determining entitlements to dividends or other distributions or rights of holders of Security Tokens ("record date"), with at least 5 markets days of notice (excluding the date of announcement and the record date) must be given for any record date;

*Additional fundraising*

- (x) any intention to raise funds by way of issuance of any types of securities or taking up of any loan facilities;
- (y) the Issuer shall include in the announcement relevant details of the fundraising, such as:
  - (i) further details on the method of fundraising (whether by way of issuance of equity or debt securities or otherwise) and the jurisdiction to which the fundraising is sought;
  - (ii) (if applicable) principal terms and conditions of the fundraising;
  - (iii) the eligible participants of the fundraising (whether by way of private or public offering);
  - (iv) the rationale for the proposed fundraising;
  - (v) the use of proceeds from the fundraising;
  - (vi) a statement stating that the working capital of the Issuer is sufficient to meet its present requirements; and

(vii) the platform to which further announcements on the fundraising will be announced.

### **SCHEDULE 3**

#### **Requisite listing application documents**

1. Apart from the listing application form and the documents requested therein, an Applicant must submit all of the following document(s) and information as part of its listing application:
  - (a) An information memorandum (or supplement thereto) containing the disclosures as set out in Schedule 4 to the Listing Rules;
  - (b) Compliance statements from the applicant demonstrating that the relevant disclosure requirements stipulated in Schedule 4 to the Listing Rules and the Sixth Schedule to the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 (or any other applicable legislation or subsidiary legislation) have been complied with, using appropriate cross-references to the information memorandum (or supplement thereto, as the case may be). Where any applicable disclosure requirement has not been met, an explanation for the non-compliance must be provided.
  - (c) Information on, declarations and undertakings from directors, key officers and controlling shareholders of the Applicant, including:
    - (i) the resume and particulars of directors, key officers and controlling shareholders of the Applicant, which shall provide comprehensive information on the employment history, working experience and educational history of the relevant person;
    - (ii) where the controlling shareholder is a corporation, the resume and particulars of the directors, key officers and controlling shareholders and/or partners of the corporate controlling shareholder
    - (iii) in the case of Investment Funds, the resume and particulars of the persons employed by the investment manager to carry out their duties as investment manager, providing comprehensive information on the employment history, working experience and educational history of such persons; and
    - (iv) declarations by directors, key officers and controlling shareholders of the Applicant, in form prescribed by the Exchange.
  - (d) for business trusts, a right of first refusal agreement granted by the controlling shareholder of the trustee-manager or manager (as the case may be) (referred herein as “controlling shareholder”) to the business trust, pursuant to which the business trust is granted the first right to acquire the competing assets from the controlling shareholder, with such right of first refusal to be in effect when:
    - (i) the controlling shareholder is the controlling shareholder of the trustee-manager or manager (as the case may be) and a controlling unitholder of the business trust; and
    - (ii) the trustee manager or manager (as the case may be) is the trustee-manager or manager (as the case may be) of the business trust;
  - (e) in the case of Investment Funds, the following information:
    - (i) structure and constitution of the Investment Fund;

- (ii) names of the investment managers, investment adviser, administration agent, and custodian of the investment fund
  - (iii) the annual accounts of the Investment Fund for each of the last 3 financial years, if applicable. If the Applicant has made low profits or losses in the two years before the application due to specific factors which were of a temporary nature and such adverse factors have either ceased or are expected to be rectified upon the Applicant's listing, please provide details and elaborate;
  - (iv) in the event the Investment Fund is unable to provide the annual accounts for each of the last 3 financial years, the Investment Fund is expected to provide up to 2 years of full year profit estimates, forecasts and/or projections; and
  - (v) strategy, investment thesis and mandate and the financial track record of the investment manager;
- (f) in the case of Security Tokens with equity or debt as its underlying asset, the following information and/or documents:
  - (i) the constituent documents of the issuer of the underlying equity or debt; and
  - (ii) the audited financial statements of the issuer of the underlying shares or debt (including, where relevant, its subsidiaries or associated companies) for the last 2 financial years prepared in accordance with SFRS(I), IFRS or other Financial Reporting Standards that is acceptable to the Exchange; and
  - (iii) breakdown of current capital structure, including details of other issued debt and equity instruments (including type, dates of issuance and maturity, amounts issued, outstanding amounts) and supporting documents.
- (g) Information on the Applicant's group, including:
  - (i) group and/or investment structure diagram; and
  - (ii) financial projections by the Applicant's management demonstrating the ability of the Applicant to meet obligations (in particular, payment obligations) to holders of the Security Token which the Applicant intends to issue, including revenue, cashflow and profit forecasts over the relevant timeframe; and
- (h) Relevant material contracts, including final drafts of the following agreements, where applicable:
  - (i) material contracts (other than those entered into in the ordinary course of business) entered into during the preceding 24 months or proposed to be entered into by the Applicant and its subsidiaries with any director, controlling shareholder or their associates;
  - (ii) terms and conditions of the Security Token;
  - (iii) trust documents;
  - (iv) derivative documents in respect of a transfer of economic benefit; and
  - (v) security documents.

2. The Exchange may require from an Applicant additional information or documents, and/or take into account any information that it considers necessary or relevant, request that any information provided by the Applicant be verified in such manner as the Exchange may specify, and impose any additional conditions on an Applicant that it considers appropriate, including:
  - (a) legal opinion(s) from a reputable law firm or lawyer that is acceptable to the Exchange stating that the proposed offering of Security Tokens is in compliance with all applicable laws and regulations, including the Securities and Futures Act (Chapter 289) and that the terms and conditions of the Security Token and any material contracts stated in (f) below are legal, valid and enforceable;
  - (b) legal due diligence reports on the companies in the Applicant's group, the scope of which should be sufficient to verify information, where practicable, in the information memorandum;
  - (c) declarations by directors, key officers, and controlling shareholders of the Applicant, in the form prescribed by the Exchange;
  - (d) the Applicant's management to demonstrate its ability to meet obligations (in particular, payment obligations) to holders of the Security Token which the Applicant intends to issue over the relevant timeframe;
  - (e) declarations and warranties from the Applicant's management that the Applicant is not aware of any encumbrances in its common or ordinary shares; and
  - (f) if there is an underlying asset(s) that the Applicant or its business is materially dependent on, the Exchange may request for a valuation report to be submitted or disclosed in the information memorandum. The valuation report provided in respect of such underlying asset(s) should be prepared by a qualified valuer having experience, expertise and track record in valuing such type of asset, producing a valuation report in a form and to a standard acceptable to the Exchange. The Applicant will also procure such other additional information and supplementary documentation with respect to the underlying asset(s) as the Exchange may require.
3. All documents submitted should be in original form, extracted from a government database or duly certified by a competent authority e.g. a notary public, solicitor etc. All documents not in English must be translated into English by a certified translator.

## SCHEDULE 4

### Disclosure requirements for the information memorandum of a Security Token listing

1. An information memorandum for a Security Token listing must include all relevant information and in sufficient detail to enable the Participants to have a full and proper understanding of the Issuer's business, financial conditions, prospects and risks.
2. The Exchange may require additional information to be disclosed in any particular case.
3. An information memorandum may take the following forms:
  - (a) a stand-alone listing document; or
  - (b) in the case where debt securities are the underlying asset of the Security Tokens ("**Debt Securities**"), a listing document ("Base Memorandum") for an issuance programme ("Issuance Programme") together with a final terms or pricing supplement document containing the definitive terms for each individual issuance made under the Issuance Programme ("Pricing Supplement").
4. An information memorandum for Security Token listing shall include the following information, where applicable:

1.	Disclaimers	<p>The following statements on the cover page:</p> <p>"SDAX Exchange Pte. Ltd. (UEN: 201914688R) assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this document. Approval for the Issuer to list its Security Tokens on the Platform is not to be taken as an indication of the merits of the Issuer or of the securities."</p> <p>"This document is important. Before buying or making any investment in the Security Tokens being listed, you should consider the information provided in this document carefully, and consider whether you understand what is described in this document. You should also consider whether an investment in the Security Tokens being listed is suitable for you, taking into account your investment objectives and risk appetite. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser. You are responsible for your own investment choices."</p>
2.	Directors and key officers	<p>The following information on each director and key officer of the Issuer:</p> <p>(a) the names, addresses and occupations; and</p>

		(b) the details of educational and professional qualifications, if any, and areas of expertise or responsibility in the Issuer or group.
3.	Advisers	The names and addresses of the manager, legal advisers, underwriters, and independent valuers, if any.
4.	Auditors	The names, addresses and professional qualifications (including membership in any professional body) of the Issuer's auditors. The name of the partner-in-charge of the Issuer's auditors.
5.	Representative for Security Token holders	The names and addresses of the trustee or any other representative for Security Token holders, and the main terms of the document governing such trusteeship or representation, including provisions concerning the functions, rights and obligations of the trustee or representative.
6.	Details of Issuer	<p>(a) Date of incorporation or constitution, and where the constituent documents of the Issuer provide a limit as to the duration for which the Issuer is to exist, such duration; and</p> <p>(b) Legal form of the Issuer, the legislation under which it operates, the address and telephone number of its registered office and principal place of business (if different from registered office), and the email address and website address of the Issuer or a representative of the Issuer.</p>
7.	Business overview	<p>(a) Nature of the operations and principal activities;</p> <p>(b) Main categories of products sold or to be sold and services performed or to be performed;</p> <p>(c) Principal markets in which the Issuer operates; and</p> <p>(d) Summary on whether the business or profitability of the Issuer is materially dependent on any patent, licence, industrial, commercial or financial contract (including a contract with any customer or supplier) or new manufacturing or development process.</p>
8.	Principal terms and conditions, including the following:	<p>In respect of:</p> <p>Security Tokens with equity as its underlying asset ("Equity Security Token"):</p> <p>(a) The rights attached to the token; and</p> <p>(b) The obligations of the Issuer.</p>



		<p>Security Tokens with Debt Securities as its underlying asset (“Debt Security Token”):</p> <ul style="list-style-type: none"> <li>(a) The yield and how it is calculated;</li> <li>(b) The issuance and redemption prices;</li> <li>(c) The nominal interest rate (and if it is floating, how the rate is calculated);</li> <li>(d) The date from which interest accrues, and the interest payment dates;</li> <li>(e) The final repayment date, and where there is any option for early repayment, either at the election of the token holders or the Issuer, and the early repayment date;</li> <li>(f) Details of any subordination or seniority of the issuance to other debts of the Issuer already incurred or to be incurred;</li> <li>(g) The nature and scope of any guarantee intended to ensure that the issue will be duly serviced with regard to both the principal sum and any interest that accrues;</li> <li>(h) Definition of events of defaults, the remedies available in the event of default, and the effect of a default (if any) on the acceleration of the maturity of the tokens; and</li> <li>(i) Any restrictions on transferability.</li> </ul> <p>Hybrid Equity/Debt Security Tokens:</p> <ul style="list-style-type: none"> <li>(a) The information set out under Debt Security Token above; and</li> <li>(b) Conversion event/date, conversion formula.</li> </ul>
9.	Relevant assets	<p>Where applicable, for debt offerings which are structured as asset-backed securities (as defined under the SFA), to provide such information of any relevant asset which investors would customarily expect to see in an information memorandum for an offering of a similar nature.</p> <p>For Security Tokens which are structured as debt securities with terms that pass through distributions from an underlying investment product (including an Investment Fund or other security) to the holders of the Security Tokens (“Pass-through Tokens”), the Issuer shall additionally comply with the Listing</p>

		Rules which would be applicable as if the offering was made directly of such underlying investment product.
10.1	Token statistics	<ul style="list-style-type: none"> <li>(a) the amount, or range of the amount, of subscriptions sought;</li> <li>(b) the number, or range of the number, of Security Tokens being offers;</li> <li>(c) the nature and denominations of the Security Tokens offered;</li> <li>(d) the face value of the Security Tokens being offered; and</li> <li>(e) the currency of the issuance.</li> </ul>
11.1	Offer procedure	<p>Information on the offer procedure, including:</p> <ul style="list-style-type: none"> <li>(a) the time and date on, and period during, which the offer will be kept open;</li> <li>(b) the circumstances and duration under which the offer may be extended or shortened;</li> <li>(c) the method and time limit for paying up for the Security Tokens;</li> <li>(d) the methods of evidencing title to the Security Tokens;</li> <li>(e) the manner for refunding any excess paid by the Participants (including whether interest will be paid); and</li> <li>(f) the manner in which unsold Security Tokens will be treated.</li> </ul>
12.1	Financial Information	<ul style="list-style-type: none"> <li>(a) Annual financial statements or consolidated financial statements of the Issuer for the past 2 completed financial years or, if the Issuer has been in existence for less than 2 completed financial years, each of the financial years for which it has been in existence;</li> <li>(b) Where the information memorandum is circulated more than <ul style="list-style-type: none"> <li>(i) 6 months but less than 9 months after the end of the completed financial year for which the audited financial statements have been prepared, interim financial statements for the first 3 months of the current financial year;</li> </ul> </li> </ul>

		<p>(ii) 9 months but less than 12 months after the end of the completed financial year for which the audited financial statements have been prepared, interim financial statements for the first 6 months of the current financial year; and</p> <p>(iii) 12 months but less than 15 months after the end of the completed financial year for which the audited financial statements have been prepared, interim financial statements for the first 9 months of the current financial year.</p> <p>Each of the annual financial statements to be provided under paragraph 2 of this Part must be accompanied by the audited report in respect of the annual financial statements and a statement identifying the auditors who audited the annual financial statements (including the membership or memberships of each auditor in any professional body or bodies). If the audit report in respect of the annual financial statements contains any material qualification, modification or disclaimer, a statement highlighting and providing the reasons for such qualification, modification or disclaimer</p> <p>The interim statements need only be reviewed and not audited by the auditors, save in (b)(iii) where the first 3 months of the most recently completed financial year has to be audited, with the balance 6 months reviewed.</p> <p>Pro forma financial statements should be prepared in respect of the most recently completed financial year (and if interim financial statements are provided, for such interim period) if there have been any Financial statements must be prepared in accordance with Singapore Financial Reporting Standards (International), or International Financial Reporting Standard (“IFRS”), and accounts that are prepared in accordance with IFRS need not be reconciled to SFRS(I)s</p>
13.	Litigation	<p>Information on any legal or arbitration proceedings, including those which are pending or known to be contemplated:</p> <p>(a) which may have, or which have had in the 12 months immediately preceding the date of circulation of the information memorandum, a material effect on the financial position or profitability of the Issuer or group; and</p> <p>(b) in respect of any director, key officer and/or controlling shareholder.</p> <p>Any criminal or civil charges, convictions or sanctions in respect of the entities above should also be disclosed</p>

14.1	Risk factors	Disclose the risk factors that are specific to the Issuer's group and its industry as well as the securities being offered, which had materially affected or could materially affect, directly or indirectly, the Issuer's financial position and results and business operations, and investments by holders of the securities, as the case may be, in the Issuer. Where possible, state the extent to which the Issuer's financial position or results had been or could be affected by the risk factor.
15.1	Use of proceeds	The use of proceeds from the sale of the Security Tokens
16.1	Procedures in the event of voluntary delisting pursuant to Rule 8 of the Listing Rules (if applicable) possible scenarios whereby the Issuer will seek a voluntary delisting.	<p>Information on the procedure in the event of voluntary delisting, including:</p> <p>(a) procedure for the appointment of an independent licensed financial adviser who shall provide a fair and reasonable token buy-back offer;</p> <p>(b) procedure for requisitioning of a general meeting of holders of the Security Token (including information requirements of notice of such general meeting, such as rationale for pursuing a voluntary delisting); and</p> <p>(c) the majority percentage of votes required for the acceptance of the token buy-back offer.</p>
17..	Indebtedness to directors, substantial shareholders	<p>Disclose all debts owing to the group by its directors, substantial shareholders, and companies controlled by the directors and substantial shareholders have been settled.</p> <p>For the purposes of the above, reference to debt includes third party indebtedness (including contingent liabilities for guarantees and indemnities) incurred by the group for the benefit of the directors, substantial shareholders and companies controlled by the directors and substantial shareholders. This does not apply to debts owing by the subsidiaries and associated companies of the Issuer to the group.</p>
18.1	Capitalisation and indebtedness	Provide a statement of capitalisation and indebtedness (including the amount of cash and cash equivalents) as of a date no earlier than 60 days from the date of the information memorandum, showing the capitalisation and indebtedness (distinguishing between guaranteed and non-guaranteed, and secured and unsecured, indebtedness) of (a) the Applicant or (b) if the Applicant is the holding company or holding entity of a group, the group, as the case may be, and if applicable, adjusted to reflect the sale of new debentures or units of debentures, as the case may be, being issued and the intended application of the net proceeds from the sale. For the purposes of this paragraph, indebtedness includes indirect and contingent indebtedness. In the case of a

		<p>guaranteed debenture issue, provides also such information in respect of the guarantor entity.</p> <p>Disclose any other significant contingent liabilities and the nature of such liabilities.</p>
19.1	Guarantor	In the case of a guaranteed issuance of Debt Securities, provide information on the guarantor of the Debt Securities where applicable, including essential information about the guarantee attached to the Debt Securities, the risk factors and financial information specific to the guarantor.
20.	Responsibility Statement	<p>The following statement should be included:</p> <p>“The Board of Directors collectively and individually accepts full responsibility for the accuracy of the information given in this Information Memorandum and confirms after making all reasonable enquiries that, to the best of its knowledge and belief, this Information Memorandum contains all the relevant information and in sufficient detail to enable investors to make an informed assessment of the Issuer and the Security Tokens, and the Board of Directors is not aware of any information the omission of which would make any statement in this Information Memorandum misleading, [and where the Information Memorandum contains a profit forecast, the Board of Directors is satisfied that the profit forecast has been stated after due and careful enquiry and consideration]. Where information in the Information Memorandum has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Board of Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Information Memorandum in its proper form and context.”</p>

## Debt Security Issuance Programme

5. If the Issuer establishes an Issuance Programme as described in paragraph 3(b) above:
  - (a) the Base Memorandum must contain the information about the Issuer as stipulated in the Listing Rules and in Paragraph 4 above, where applicable and the general terms and conditions attached to the Debt Securities;
  - (b) the Pricing Supplement must contain all of the definitive terms and conditions for the issuance in question and any supplemental information that is required in order for the Base Memorandum read together with the Pricing Supplement to contain all relevant information for the purposes of the issuance in question; and
  - (c) both the Base Memorandum and the Pricing Supplement must state that the Base Memorandum and the Pricing Supplement together constitute the complete listing document for the issuance in question.

The Issuer must submit the Base Memorandum, which shall include a form of the Pricing Supplement, to the Exchange for review. Any changes and additions to information disclosed in the Base Memorandum may be submitted to the Exchange in the form of a supplement to the Base Memorandum for review. Any such supplement approved by the Exchange for publication forms an integral part of the Base Memorandum in question.

#### **Disclosure requirements for Collective Investment Schemes**

6. In respect of offerings which are structured as a collective investment scheme (as defined under the Securities and Futures Act), the information memorandum for such offerings must follow the disclosure requirements set out in the Sixth Schedule of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 and state the following: (a) all provisions and/or conditions under which the fund will be closed and all monies returned to its token subscribers; and (b) the terms and conditions upon which it undertakes to repurchase tokens, and where there is no such undertaking, to state that fact.

#### **Disclosure requirements for Business Trusts**

7. In respect of offerings which are structured as business trusts, the information memorandum for such offerings must follow (to the extent applicable or with the necessary alterations for business trusts) the disclosure requirements set out in the Sixth Schedule of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 and state the following:  
(a) all provisions and/or conditions under which the trust will be closed and all monies returned to its token subscribers; and (b) the terms and conditions upon which it undertakes to repurchase tokens, and where there is no such undertaking, to state that fact.
8. For a business trust, the following additional information is required:
  - (d) name and address of the trustee who must not have any material conflict of interests with its position;
  - (e) basis of the trustee's remuneration;
  - (f) indemnities (if any) of trustees and managers;
  - (g) arrangements for removing the managers; and
  - (h) termination of the trust.

With respect to the buying and selling of units in the business trust, the business trust must disclose details of its income distribution arrangements.

#### **Disclosure requirements for Security Tokens with equity as its underlying asset ("Equity Tokens")**

9. In respect of offerings of Equity Tokens by Issuers, the following additional information is required in the information memorandum:
  - (i) for offerings of Equity Tokens by Issuers which are structured such that the underlying shares are not held directly by the Issuers, all information that Participants would reasonably require to make an informed assessment of the following:
    - (i) a description of how the underlying shares are held, including the contractual obligations of the Issuers; and

- (ii) the restrictions on transferability of the underlying shares and its effect on the interests of the holders of the Equity Tokens.
- (j) the following information about the issuer and/or the shares, underlying shares, or other instruments conferring or representing a legal or beneficial ownership interest in a corporation (as the case may be):
  - (i) annual financial statements or consolidated financial statements of such issuer for the past 2 completed financial years;
  - (ii) Information on the valuation of such issuer based on the issuer's most recently completed equity fundraising exercise;
  - (iii) in relation to corporate actions or transactions undertaken or to be undertaken, information on the voting rights and other rights, privileges, obligations or liabilities acquired, accrued or incurred by the holders of the Equity Tokens pursuant to such corporate actions or transactions;
  - (iv) its dividend policy, or if it does not have a fixed policy, to state so; and
  - (v) information regarding any securities which any person has, or has the right to be given, an option to subscribe for or purchase, including (A) the identity of that person, (B) a description of and the amount of securities covered by the option, (C) the purchase price of the option, if any, (D) the exercise price, and (E) the period during which the option is exercisable, or an appropriate statement to the effect that there are no such securities. Where the option has been given, or it has been agreed that the option or right will be given to employees of the issuer of the underlying shares under an employees' share option scheme, it will be sufficient to state that fact without giving names.

#### **Disclosure requirements for Security Tokens which are also ESG (Debt) or ESG (Fund) instruments**

10. In respect of Debt Securities or Investment Funds/Collective Investment Schemes, which are also ESG (Debt) or ESG (Fund) Instruments, additional information will be required in respect of such Security Tokens, as set out in Schedule 5 (ESG – Sustainable Debt and Sustainable Funds).

#### **Negative statements**

11. Subject to the Exchange's approval, an information memorandum may include a negative statement in respect of any of the disclosure requirements set out in this Schedule 4 or any of the continuing disclosure obligations set out in Schedule 2 that such information is and/or will not be disclosed to token holders. In determining whether to grant the approval referred to in this paragraph, the Exchange may have regard to, inter alia, the reasons given by the Issuer in question for omitting such information, and whether such reasons and related risks have been appropriately highlighted to Participants.

## SCHEDULE 5

### ESG – Sustainable Debt and Sustainable Funds

1. In addition to the requirements in the Listing Rules as applicable to Debt Securities and Investment Funds/Collective Investment Scheme instruments, Issuers which seek to qualify these instruments as ESG (Sustainable Debt) or ESG (Sustainable Funds) will need to also meet the requirements as set out in this Schedule 5, as applicable.

#### 2. ESG (Sustainable Debt)

- 2.1. Debt Securities will only qualify as Sustainable Debt, if the Issuer meets the requirements as set out in the applicable Sustainable Debt Guidelines and Standards, and the requirements as set out below.
- 2.2. The following terms shall have the following meanings when used herein unless the context otherwise requires:

climate benefits	means the provision of outcomes which address issues related to the mitigation of risks and environmental objectives related to climate change mitigation, climate change adaptation and climate transition.
Climate Bond	means Green Bonds whose proceeds are directed primarily to projects or assets which have specified climate benefits.
Climate Standards and Certification Scheme	Means the certification criteria published by the Climate Bonds Initiative in respect of Climate Bonds.
environmental benefits	Means the provision of outcomes which address issues related to climate benefits, natural resource conservation, biodiversity conservation, and pollution prevention and control, and other environmental objectives
Green Bond	means Debt Securities whose proceeds are used for the purposes of financing new or existing projects that generate climate or other environmental benefits and are low carbon and climate resilient.
Independent Verifier	means as entity appointed by the Issuer pursuant to 2.2, and is an entity which is acceptable to SDAX Exchange to act as an independent verifier.
International Capital Market Association's Guidelines for External Reviewers	means the guidelines published from time to time by the International Capital Market Association, "Guidelines for Green, Social, Sustainability and Sustainability Linked Bonds External Reviews". <sup>1</sup>
Paris Agreement on Climate Change	means the legally binding international treaty on climate change as adopted at the 2015 United Nations Climate Change Conference (COP 21) on 12 December 2015 and entered into force on 4 November 2016.
social benefits	means the provision of outcomes which address or mitigate specific social issues and/or seek to achieve positive social outcomes especially but not exclusively for a target population(s), where such social issues threaten, hinder or damage the well-being of society or a specific target population.
Social Bond	means Debt Securities whose proceeds are used for the purposes of financing new or existing projects that generate positive social benefits.
Sustainable Debt	means Debt Securities which are Climate Bonds, Green Bonds, Social Bonds, Sustainability Bonds, Sustainability Linked Bonds or Transition Bonds.
Sustainable Debt Guidelines and Standards	means guidelines and standards, including:

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<sup>1</sup> The current version, dated June 2022 is available at: [https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/External-Review-Guidelines\\_June-2022-280622.pdf](https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/External-Review-Guidelines_June-2022-280622.pdf)



- (a) Green Bond Principles<sup>2</sup>, Social Bond Principles<sup>3</sup>, Sustainability Bond Guidelines<sup>4</sup>, Sustainability-Linked Bond Principles<sup>5</sup>, Climate Transition Finance Handbook<sup>6</sup>, as may be amended, issued and governed by International Capital Markets Association;
- (b) Green Bond Standards such as the Climate Bonds Standard<sup>7</sup>, as may be amended, issued and governed by the Climate Bonds Initiative<sup>8</sup>;
- (c) Government policies and guidelines such as the Singapore Green Bond Framework<sup>9</sup>; or
- (d) any other standard acceptable to the Exchange.

Sustainable Debt Report  
Sustainability Bond<sup>10</sup>

means the report as required pursuant to 2.4.2 below.

means Debt Securities whose proceeds are used for the purposes of financing new or existing projects that generate a combination of environmental and social benefits

Sustainability Linked Bond

means Debt Securities whose proceeds are used for the purposes of financing Issuers that contribute to environmental and/or social benefits. Sustainability Linked Bonds, unlike Sustainability Bonds, do not finance particular projects, but finance the general functioning of an Issuer that has sustainability targets that contribute to environmental and/or social benefits.

Transition Bond

means Debt Securities whose proceeds are used for the purposes of financing projects which have not yet achieved low or zero carbon emission targets, but still have a short term role in decarbonizing an activity or otherwise supporting an Issuer in its transition to the global objectives enshrined within the Paris Agreement on Climate Change, specifically in respect of combatting climate change and to accelerate and intensify actions and investments needed for a sustainable low carbon future.

## 2.3. Appointment of an Independent Verifier

<sup>2</sup> Green Bond Principles: [icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/](https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/)

<sup>3</sup> Social Bond Principles: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/>

<sup>4</sup> Sustainability Bond Guidelines: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg/>

<sup>5</sup> Sustainability-Linked Bond Principles: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/#:~:text=The%20Sustainability%20Linked%20Bond%20Principles,allocation%20to%20such%20financial%20products.>

<sup>6</sup> Climate Transition Finance Handbook: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/climate-transition-finance-handbook/>

<sup>7</sup> Climate Bonds Standard: <https://www.climatebonds.net/climate-bonds-standard-v3>

<sup>8</sup> Climate Bonds Initiative: [climatebonds.net](https://www.climatebonds.net)

<sup>9</sup> Singapore Green Bond Framework: <https://www.mof.gov.sg/docs/default-source/policies/fiscal/singapore-green-bond-framework.pdf>

<sup>10</sup> ICMA defines "Sustainability bonds are bonds where the proceeds will be exclusively applied to finance or re-finance a combination of both green and social projects." "Sustainable" on the other hand, is to be used to describe "Sustainable bond market", "sustainable development", "sustainable bond grant scheme". Technically, "sustainable bond market comprises social, green and sustainability bonds".

2.3.1. The issuer of a Sustainable Debt shall appoint an Independent Verifier, to carry out a pre-issuance review and confirm to the investors and the Exchange that the Debt Securities is classified as Sustainable Debt pursuant to the applicable Sustainable Debt Guidelines and Standards. The Issuer shall include a statement in the Information Memorandum confirming that the Independent Verifier has been appointed pursuant to this paragraph 2.2.1.

2.3.2. The Independent Verifier shall carry out a pre-issuance and annual review and confirm to the investors and the Exchange that the Debt Securities is classified as a Sustainable Debt pursuant to the applicable Sustainable Debt Guidelines and Standards.

2.3.3. The Independent Verifier must be an entity:

2.3.3.1. specializing in assessing the framework of the Sustainable Debt's purpose and objectives, with sufficient environmental and/or social, financial and market-specific expertise to perform a comprehensive assessment of the use of proceeds;

2.3.3.2. independent of the Issuer, its directors, senior management and advisors;

2.3.3.3. compliant with the International Capital Markets Association's Guidelines for External Reviewers, or accredited under the Climate Standards and Certification Scheme, or any industry body acceptable to the Exchange; and

2.3.3.4. with significant and appropriate expertise needed for providing independent reviews on Sustainable Debt.

## **2.4. Disclosures required in the Information Memorandum for Sustainable Debt**

2.4.1. In addition to the disclosure requirements as set out in Schedule 4 (Disclosure requirements for the information memorandum of a Security Token listing), an Issuer of a Sustainable Debt will need to include the disclosures as set out below in the Information memorandum.

2.4.2. The Information Memorandum submitted by the Issuer to the Exchange shall contain the following particulars in line with the relevant applicable Sustainable Debt Guidelines and Standards:

2.4.2.1. A statement on the environmental and/or social objectives of the Sustainable Debt and the process to determine project eligibility and related eligibility criteria;

2.4.2.2. A statement of the systems, policies and processes to be used for the management, allocation and reporting of the proceeds, bond funds and investments; and

2.4.2.3. A pre-issuance report from an Independent Verifier confirming the Sustainable Debt can be classified as sustainable pursuant to the Sustainable Debt Guidelines and Standards.

2.4.2.4. *A statement of the Sustainability Performance Targets (SPTs) (for Sustainability-Linked Bonds only).*

2.4.3. In addition to the general Listing Rules applicable to Debt Securities, the Exchange shall undertake a review of the Information Memorandum and supporting documentation (as the Exchange may reasonably require) to satisfy itself that the necessary disclosures have been made by the Issuer in line with the Sustainable Debt Guidelines and Standards and the requirements as set out in this Schedule 5 in respect of Sustainable Debt.

## **2.5. Continuing Obligations for Issuers of Sustainable Debt**

2.5.1. The issuer of Sustainable Debt shall comply with the general continuing obligations as set out in the SDAX Listing Rules, these Rules and the applicable Sustainable Debt Guidelines and Standards.

2.5.2. The Issuer shall provide to tokenholders and the Exchange a Sustainable Debt Report annually for the duration of the Sustainable Debt. The Sustainable Debt Report shall include the following details:

- 2.5.2.1. A brief description of the projects and the amounts disbursed, including the percentage of proceeds that have been allocated to different project types and to financing and refinancing. Where confidentiality agreements or competition considerations limit the amount of detail that can be disclosed, the information may be presented in generic terms. The Exchange may however request the detailed information for regulatory purposes;
  - 2.5.2.2. The expected impact of the projects and assets;
  - 2.5.2.3. The qualitative performance indicators and, where feasible, quantitative performance measures of the impact of the projects; and
  - 2.5.2.4. The methodology and underlying assumptions used to prepare performance indicators and metrics shall be disclosed.
- 2.5.3. The Sustainable Debt Report, including information about the use and management of proceeds will be reviewed and signed off by the Independent Verifier to confirm the Sustainable Debt status of the Debt Security.
- 2.5.4. The Sustainable Debt Report will be published on the Exchange, and may additionally be provided through the Issuer's website.

## 2.6. Consequences for breach of sustainable requirements for Sustainable Debt

- 2.6.1. In the event of breach of the requirements of these requirements as set out in this Schedule 5 (in respect of qualifying, and maintaining the status of the Debt Securities as Sustainable Debt) by an Issuer of a Sustainability Bond, the Exchange shall communicate to the Issuer concerning the breach.
- 2.6.2. Upon communication of such breach to the Issuer, the Issuer shall provide confirmation as to whether they will take remedial steps to rectify such breach, which shall be subject to agreement (including commitment on timeframes and actions to be taken to rectify such breach) between the Issuer and the Exchange in order to maintain the Sustainable Debt status of the Debt Securities.
- 2.6.3. The Exchange may take such action as set out in Rules 9 (Involuntary De-listing) or Rules 10 (Actions taken by Exchange) in response to such breach.

## 3. ESG (Sustainable Funds)

- 3.1. Investment Funds will only qualify as Sustainable Funds, if the Issuer meets the requirements as set out in the applicable Sustainable Fund Guidelines and Standards, and the requirements as set out below.
- 3.2. The following terms shall have the following meanings when used herein unless the context otherwise requires:

Impact Fund	means an Article 9 Fund under SFDR, (or the equivalent Sustainable Fund Guidelines and Standards) being an Investment Fund that has sustainable investment or a reduction in carbon emissions as its objective.
Principal Adverse Impacts (PAI)	Means negative, material, or likely to be material effects on sustainability factors that are caused, compounded by, or directly linked to investment decisions and advice performed by the legal entity
Sustainable Fund	Means an Impact Fund or Sustainability Focused Fund
Sustainability Focused Fund	Means an Article 8 Fund under SFDR, (or the equivalent Fund Guidelines and Standards) being an Investment Fund which

	promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.
Sustainable Fund Guidelines and Standards	means guidelines and standards including- <ul style="list-style-type: none"> <li>(a) SDG Impact Practice Standards, as may be amended, issued and governed by United Nations Development Programme, a member of the Impact Management Project Structured Network;</li> <li>(b) Global ESG Disclosure Standards for Investment Products as may be amended, issued and governed by the by CFA Institute;</li> <li>(c) Green Finance Strategy as may be amended, issued and governed by the UK government;</li> <li>(d) Sustainable Finance Disclosure Regulation, as may be amended, issued and governed by EU Sustainable Finance Framework;</li> <li>(e) Government policies and guidelines such as the Singapore Taxonomy; or any other standard acceptable to the Exchange.</li> </ul>
Sustainable Fund Report SFDR, or Sustainable Finance Disclosure Regulation	Means the report pursuant to 3.4.2 or 3.4.3 Means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

### 3.3. Disclosures required in the Information Memorandum for Sustainable Debt

- 3.3.1. In addition to the disclosure requirements as set out in Schedule 4 (Disclosure requirements for the information memorandum of a Security Token listing), an Issuer of a Sustainable Fund will need to include the disclosures as set out below in the Information memorandum.
- 3.3.2. The Information Memorandum submitted by the Issuer to the Exchange shall contain the following particulars in line with the relevant applicable Sustainable Fund Guidelines and Standards:
- 3.3.2.1. A statement on the positive social / environmental impact as the primary reason for its existence;
  - 3.3.2.2. A statement of the clear purpose in a theory of change that forms the basis for performance assessment to demonstrate output, outcomes and social performance
  - 3.3.2.3. A statement on the commitment to the ongoing monitoring and evaluation of impact performance using clearly defined indicators of impact for performance assessment and reporting
  - 3.3.2.4. A statement that demonstrates a market-based approach to achieve its purpose and how it is able to provide returns on financial capital to meet the financial return obligations of its investors

### 3.4. Continuing Obligations for Issuers of Sustainable Fund

- 3.4.1. The issuer of Sustainable Debt shall comply with the general continuing obligations as set out in the SDAX Listing Rules, these Rules and the applicable Sustainable Fund Guidelines and Standards.

3.4.2. The Issuer of a Sustainability Focused Fund shall provide to tokenholders and the Exchange a Sustainable Fund Report annually for the duration of the Sustainable Fund, in line with standard reporting procedures for Sustainability-Focused-funds as set out in the applicable Sustainable Fund Guidelines and Standards. The Sustainable Fund Report shall include the following details:

- 3.4.2.1. A brief description of the projects and the amounts disbursed, including the percentage of proceeds that have been allocated to different project types and to financing and refinancing. Where confidentiality agreements or competition considerations limit the amount of detail that can be disclosed, the information may be presented in generic terms. The Authority and the Exchange may however request the detailed information for regulatory purposes;
- 3.4.2.2. The types of environmental and/or social characteristics promoted by the fund shall be disclosed.
- 3.4.2.3. A reference benchmark shall be designated for the purpose of attaining the environmental or social characteristics.
- 3.4.2.4. The investment strategy shall be disclosed and a description of the policy to assess good governance practices of the investee companies.
- 3.4.2.5. The environmental and social sustainability indicators to measure the attainment of the sustainability characteristics shall be monitored through the life cycle of the fund.
- 3.4.2.6. Principal Adverse Impacts indicators shall be identified, adopted and disclosed in a Principal Adverse Impacts statement.

3.4.3. The issuer shall provide to tokenholders and the Exchange a Sustainable Fund Report annually for the duration of the Sustainable Fund, in line with standard reporting procedures for Impact Funds as set out in the applicable Sustainable Fund Guidelines and Standards and the Sustainable Fund Report shall include the following details:

- 3.4.3.1. A brief description of the projects and the amounts disbursed, including the percentage of proceeds that have been allocated to different project types and to financing and refinancing. Where confidentiality agreements or competition considerations limit the amount of detail that can be disclosed, the information may be presented in generic terms. The Authority and the Exchange may however request the detailed information for regulatory purposes;
- 3.4.3.2. The expected impact of the projects and assets;
- 3.4.3.3. The qualitative performance indicators and, where feasible, quantitative performance measures of the impact of the projects; and
- 3.4.3.4. The methodology and underlying assumptions used to prepare performance indicators and metrics shall be disclosed
- 3.4.3.5. The strategic impact objective(s) shall be defined and are consistent with the investment strategy
- 3.4.3.6. The sustainability indicators shall be defined and measurable to determine the attainment status of the impact objective(s)
- 3.4.3.7. The investment strategy shall be disclosed and a description of the policy to assess good governance practices of the investee companies.
- 3.4.3.8. The progress of pre-determined impact indicators shall be measured and monitored. If the progress is not as expected, there should be a follow-up action and appropriate responses by the fund manager.
- 3.4.3.9. The impact performance, expected and actual impact of each investment shall be reviewed and reported.

### **3.5. Consequences for breach of sustainable requirements for Sustainable Debt**

3.5.1. In the event of breach of the requirements of these requirements as set out in this Schedule 5

(in respect of qualifying, and maintaining the status of the Investment Fund as Sustainable Fund) by an Issuer of a Sustainable Fund, the Exchange shall communicate to the Issuer concerning the breach.

- 3.5.2. Upon communication of such breach to the Issuer, the Issuer shall provide confirmation as to whether they will take remedial steps to rectify such breach, which shall be subject to agreement (including commitment on timeframes and actions to be taken to rectify such breach) between the Issuer and the Exchange in order to maintain the Sustainable Fund status of the Investment Fund.
- 3.5.3. The Exchange may take such action as set out in Rules 9 (Involuntary De-listing) or Rules 10 (Actions taken by Exchange) in response to such breach.

## Schedule 6

### Process of Listing

