

Disclosure to clients regarding Foreign Exchange (“FX”) Sales & Trading Practices

General Considerations

The purpose of this General Disclosure Statement is to clarify the nature of the trading relationship between you, our client, and SOCIÉTÉ GÉNÉRALE S.A. Global Markets Division (“SG”) and to disclose relevant practices of SG when acting as a dealer, on a principal basis, in the wholesale Foreign Exchange markets.

This General Disclosure Statement supplements any other disclosures or agreements regarding such matters as SG may provide to or agree with you including, without limitation, terms of business, any master agreement for financial transactions, SG’s general disclosures as a swap dealer, SG’s risk disclosures and such other disclosures as may be provided by SG from time to time.

Please note also that SG has committed to the industry best practices outlined in the FX Global Code of Conduct.

Subject to what is stated below regarding algorithmic execution services, SG trades as principal in the Forex markets in a broad range of currencies in FX spot, forwards (including non-deliverable forwards), futures (including block trades in listed futures), Exchange of Physical for Related Products, swaps and options, both for clients and for its own risk management purposes. Conflicts of interest may arise between you and SG, as SG acts on a regular basis not only in the specific product for which you may request pricing, but also for other correlated products. SG has policies and procedures in place designed to identify and manage conflicts of interest appropriately.

SG does not trade in an agency capacity nor does it act as fiduciary, financial advisor or in any similar capacity on behalf of a counterparty and thus does not undertake any of the duties that an entity acting in that capacity would ordinarily perform. Where agreed execution terms dictate that SG exercises discretion in the execution of an order, SG will unless otherwise specifically agreed, execute the order in a principal capacity using its professional judgment, in line with your instructions, taking into account market conditions and SG’s available execution capabilities. SG’s sales and trading personnel do not serve as brokers or agents to a client.

Any statements made by SG should not be construed as recommendations or investment advice. A counterparty is expected to evaluate the appropriateness of any transaction based on its own assessment of the transaction’s merits and all facts and circumstances in connection therewith.

This disclosure is not intended to conflict with or override any relevant law, regulatory rule or other applicable requirement in any jurisdiction in which SG operates, the terms of which may vary depending on the precise nature of your relationship with us and the jurisdiction(s) in which we operate.

Market Making and Pricing

SG is a global market maker in a full range of FX products including spot, forwards and derivatives. Acting as market maker means that SG handles a portfolio of positions for multiple counterparties’ competing interests as well as SG’s own risk management needs.

With the exception of algorithmic execution services described below, SG acts as principal with its counterparties, and may trade in the same FX products prior to or alongside a counterparty’s transaction, including by executing or terminating transactions for itself or facilitating executions with other counterparties, managing its risk or sourcing liquidity. These activities can have an impact on the prices we offer a counterparty on a transaction and the availability of liquidity at levels necessary to execute counterparty orders. These activities can also trigger stop loss orders, barriers, knock-outs, knock-ins or similar conditions. Such activity may detrimentally affect the price you receive or any loss or gain you make on your positions.

You should be aware that, unless otherwise instructed by you or prohibited by applicable regulation, SG may also pre-hedge potential client orders around the same time as executing the above transactions or otherwise. Our intention in pre-hedging is to facilitate order execution and reduce the potential market impact of filling your order, with the goal of achieving a better price outcome for you. However, there is no guarantee that the pre-hedging will have the desired outcome. Further, you should note that, regardless of whether SG pre-hedges your order or not, your order may have a market impact depending on its size and the level of liquidity in the market at the time of execution. Should an eventual instruction or order not be received from you, SG will endeavour to unwind any pre-hedging transactions in a prompt and orderly manner. Please contact your SG representative if you would like to discuss your options regarding pre-hedging of your orders or for more details on our pre-hedging policy.

SG may aggregate or prioritize counterparty requests and its independent objectives according to its discretion. SG is not required to disclose to a counterparty, when such counterparty attempts to leave an order, that SG is handling other counterparties' orders or SG orders ahead of, or at the same time as, or on an aggregated basis with, the counterparty's order.

SG will use its access to liquidity channels to attempt to execute the full size of your transaction subject to the prevailing market conditions and your instructions. Market volatility may result in the price moving significantly from the time of receipt of your order to the time of order execution.

Unless otherwise specified or agreed, SG will provide you with a single "all-in" price for FX transactions, whether orders or requests for quotes. This will include: (a) the bid/offer spread ("price"), (b) the costs related to execution including execution venue fees, clearing and settlement fees and other fees paid to third parties involved in the execution of the transaction ("costs"); and (c) any sales mark-up ("sales margin") determined taking into consideration a variety of factors including, but not limited to credit and capital charges, market, processing and service and relationship costs. Each of the above pricing elements will vary depending on the client and the transaction and, as such, different clients may receive different prices for transactions that are the same or similar. Further details on how these charges apply to you can be obtained from your sales representative.

Electronic Trading

The pricing shown by SG over its electronic framework is indicative. Any trade request at a quoted price is submitted in response to such indicative pricing and SG reserves the right to accept or reject such trade requests in its sole discretion.

SG may apply a number of pre-trade execution controls, each of which may result in a trade request rejection. These controls include, but are not limited to, credit and settlement risk limits, market risk limits, trade frequency checks and pricing consistency checks. The pricing consistency check element of a trade request made to SG through an electronic platform is referred to as "last look" and is a control used to provide risk mitigation to SG for timing latencies, technology issues and certain trading behaviours. When Last look is applied, SG does not incorporate an "additional hold time".

Last look will only be applied to certain trade requests as determined in accordance with SG's internal methodology*. When applied, SG will aim to deal at the requested price but will first conduct a comparison between the trade request price and the next refreshed price in accordance with one of the two following mechanisms: (1) asymmetrical last look (used in very limited cases in FX spot/forward outright markets), whereby a trade request will be rejected if the difference between the trade request price and the refreshed price is above a certain threshold but only where the price move is to SG's detriment. This will be applied to a client's trade requests only after a consistent pattern of successive trade attempts at stale rates unfavourable to SG has been observed; or (2) symmetrical last look (used for non-spot/forward outright markets), whereby a trade request will be rejected if the difference between the trade request price and the refreshed price is above a certain threshold, whether in SG's or in the client's favour

If the trade request is not rejected as set out above then, subject to the outcome of the other pre-trade execution controls, the trade request will be accepted.

In cases where a last look is applied, before accepting or rejecting a trade request (i) no pre-hedging of the trade request is performed and (ii) no details of your trade request will be used for any trading purpose.

*Please contact your SG E-sales representative if you would like further details of our last look practices.

Algorithmic Execution

SG offers its clients an algorithmic execution service on FX Spot. This service operates in riskless principal mode and is segregated from principal trading activity. It offers different execution strategies depending on clients' needs. Fees related to this service are pre-disclosed and, post-trade, the clients receive a performance analysis report to assess the effectiveness of the strategies they have selected. Please contact your SG E-sales representative if you would like further details of SG's algorithmic execution services for FX.

Execution of Orders

Orders include, but are not limited to, limit orders (stop-loss and take profit orders), at market (at best or at worst orders) and orders on a fixing. With the exception of algorithmic execution services described above, SG executes client orders as principal. Specific execution requirements should be agreed with your SG contact in writing or on another recorded medium prior to the placing and execution of any order. Where no specific execution instruction has been agreed, SG will decide, in its discretion, which orders to execute, when to execute them (e.g. by determining if the market has moved through the level that may trigger execution) and how to execute them.

There can be no assurance that we will be able to fill your order at the exact level stated in your order, unless otherwise pre-agreed by both parties in writing. However, we will make reasonable efforts to execute the order at the requested level. Under normal circumstances, executable orders will be processed in a first-in / first-out mode. Also, SG will assume that partial fills are acceptable to you unless otherwise agreed. We will accept your order within this operating framework. Failure on your part to object to us acting as outlined above will be deemed as consent to us so acting.

When acting as principal, SG's final price may include the costs and sales margin referred to above. When these cost and charges would impact the market rate at which your order execution will be triggered, they will be pre-disclosed to you, either on a case-by-case basis or through a standard grid.

Execution of Fixing Orders

Orders for transactions whose pricing is set by reference to certain FX fixing rates can create additional concerns for transaction execution and management of related risks. SG may decline to accept fixing orders on some reference rates.

If such an order is accepted by SG for execution, it will be executed as described in the Execution of Orders section above. Unless we inform you otherwise, orders submitted to SG for execution at FX Spot fixing rates (e.g. WMR, BFIX) will be executed for their aggregate net amount in principal. Fees for fixing orders will be pre-disclosed as part of the order acceptance workflow.

Block Trades on Futures Exchanges (e.g. CME, EUREX, ICE US, SGX)

SG, when transacting Block Trades on futures exchanges, acts solely as principal, and not as your agent, fiduciary or advisor. In its capacity as principal, SG may avail itself of the ability to pre-hedge any block trade. SG is under no obligation to provide you notice of its intent to pre-hedge a block trade or of the fact that it is pre-hedging or has pre-hedged a block trade. You should not rely on any statement by SG as a recommendation or advice. You are expected to make your own independent evaluation of any block trade based on your own assessment of the benefits and risks of such transaction.

Information Handling

Unless otherwise agreed, SG may use the economic terms of a transaction in order to source liquidity and/or execute risk-mitigating transactions. In addition, as part of its obligations as a regulated entity, SG also shares counterparty information as required by its global regulators.

With regard to executed transactions, SG analyzes this information on an individual and aggregate basis for a variety of purposes, including counterparty risk management, sales coverage, and counterparty relationship management.

We may also analyse, comment on, and disclose anonymised and aggregated information regarding executed transactions, together with other relevant market information, internally and to third parties, as market colour

If you have questions after reading this General Disclosure Statement or concerning SG's dealings with you, you can contact us at SGFXDisclosure@sgcib.com (and contact your senior SG representative). This General Disclosure Statement, along with others that you should be aware of, is also available at <https://wholesale.banking.societegenerale.com/en/compliance-regulatory-information/general-disclosures> and may be updated from time to time in order to address changing regulatory, industry and other developments.