Additional Disclosures

Contents

Foreign Exchange

Dealing on Own Account or Acting as Principal

Standard Chartered Bank ('SCB') transacts and makes markets in foreign exchange spot and derivatives. The Firm conducts these activities strictly as principal, unless otherwise explicitly pre-agreed in writing. The Firm conducts its principal transactions with you and does not act as an agent, fiduciary or financial advisor or in any similar capacity on your behalf in relation to these transactions.

You should evaluate the appropriateness of any transaction based on your own facts and circumstances and assess a transaction's benefits and execute the transaction based upon your own independent determination of the transaction. Any communications or statements made by or through SCBs personnel, electronic systems or otherwise in the processing or execution of transactions should not be inferred or relied upon as investment recommendations or advice.

Standard Chartered Bank may in the course of market-making, maintain positions in various products and instruments for multiple counterparties with competing interests, alongside SCB's own business interests. Acting in a principal capacity, SCB may trade prior to or alongside your transaction to execute other transactions for SCB or to facilitate transactions with other counterparties, to manage risk, source liquidity or for other applicable commercial reasons.

Standard Chartered Bank's market making and risk management activities may impact the prices communicated to you for a transaction and the availability of liquidity at levels necessary to execute your orders or trade requests. These activities may also trigger or prevent triggering of stop loss orders, take profit orders, barriers, knock-outs, knock-ins and similar terms or conditions. In conducting these activities, Standard Chartered Bank intends to carry out market-making activities in a manner which seeks to avoid undue market impacts.

Pre-Hedging Practices

When you indicate your interest in a potential transaction or provide SCB with a transaction request, Standard Chartered Bank may use that information to engage in pre-hedging and hedging activities, which may include entering into transactions prior to executing your potential transaction or request with a view to facilitating your potential transaction or request. Any transactions entered into by SCB with a view to facilitating your potential transaction or request will be entered into by Standard Chartered Bank as principal, not as an agent for you. Any pre-hedging or hedging transactions entered into by Standard Chartered Bank will be commensurate with the size and nature of your order, could be at different prices from the price at which Standard Chartered Bank executes your transaction, may affect the market price of or liquidity for the product(s) you are buying and/or selling and may result in profit, or loss, to Standard Chartered Bank.

Reference Time Orders Disclosure ("RTO")

From time to time you may request Standard Chartered Bank to execute an order at a specified time in the future, which is not to be transacted against a particular recognised benchmark "fix". An example of this order would be "Sell 50M EURUSD at 12pm UK time today". This order will not be transacted against any official benchmark price.

Your order will be managed at the full discretion of SCB as an at best order, taking into account market characteristics and liquidity before, during and after the specific time unless explicitly instructed otherwise. SCB handles RTOs on a principal to principal basis and therefore does not segregate the management of RTOs from its core market making operations. Further, SCB may engage in risk management transactional activity which may be executed before, during and after the reference time, and that transactional activity may impact the price at your reference time. This risk management may also include 'pre-hedging' in anticipation of an RTO nearing the reference time. SCB shall assume that you agree to transact RTOs on this basis unless SCB hears from you to the contrary.

SCB will not attempt to match the rate at that time, and in no way is the execution of your order an attempt to match a "snapshot" or official benchmark of the rate at that moment in time. Should you wish to execute against a specified price in time, then your request should be made to execute an Against Fix Order ("AFO") against a recognised benchmark such as WMR, BFIX, TKFE etc.

Execution Venues

SCB will generally seek to internalise Orders, whereby you trade with SCB as Principal, this is on the basis that SCB can meet our Best Execution obligation on a consistent basis by doing so.

Where the SCB trades as principal it will use a number of execution venues including Regulated Markets, Multilateral Trading facilities, Organised Trading Facilities, Systematic Internalisers, and Market Makers as liquidity providers. The selection will be made at SCB's discretion.

SCB uses appropriate internally and externally available information on execution venues performance to conduct ongoing assessments of the quality of the execution provided to clients through internalisation. SCB will continually monitor the available information and as additional information and / or external data become available, this will be incorporated into SCB's pricing controls and reviews. This also includes the assessment of the ongoing efficacy of the service and execution provided to SCB when conducting market making activity or managing its own risk through available liquidity providers.

Order Aggregation & Allocation

SCB will not aggregate client orders or SCB's own transactions, unless it is unlikely the aggregation will work to the disadvantage of any Client who's Order has been aggregated.

In the event an Order is aggregated with a transaction for SCB, it will not allocate in priority to itself over a Client. However, if SCB is able to demonstrate on reasonable ground that without aggregation it would not have been able to carry out the Order on such an advantageous term, then SCB may allocate the transaction proportionately.

In some cases, liquidity conditions may restrict our ability to fill the full amount of outstanding Orders, resulting in partial fills. In such circumstances, the resulting partial fills will be allocated on a volume-weighted average basis.

Where it is unlikely aggregation will work against the client and with the exception of at Best Orders, generally SCB will internalise orders and work order types on aggregate basis.

All At Best Orders will be worked on a first in first out ("FIFO") basis; however, in the event that the working of an At Best Order triggers an existing Stop Loss Order, the remaining fill requirement of the deal At Best Order will be aggregated with that Stop Loss Order and allocated on a volume weighted average basis.

Market Risk Transfer

The point at which market risk transfers from your order to SCB is at the time that your order has been confirmed as "done". For orders executed by electronic platforms or application programming interfaces, this will be at the time your order is electronically confirmed as having been executed. For manual / voice transactions, this will be the time that the SCB Financial Markets representative confirms execution of your transaction

Time Stamping

Orders received by electronic platforms or application programming interfaces will be time stamped at time of receipt and again at time of acceptance. Orders received manually / by voice will be timestamped as soon as reasonably practicable after receipt of the order. Further timestamps will be applied when any amendment or cancellation instruction is received, at the point they are triggered and at the time of execution.

Execution Costs & Sales Margin

Clients may be charged an additional spread, mark-up, fee or commission for providing the execution. Where applied to a Client's Order, the margin charged by the Bank is determined taking into consideration a variety of factors, including complexity of trading strategies, service levels and cost of funding the transaction and a reasonable return on equity.

For certain products or types of business activity, fees may be charged in the form of commissions which are separate from and in addition to the traded price for a particular transaction.

SCB does not structure or charge commissions in such a way as to discriminate unfairly between Execution Venues as SCB does not explicitly pass on commissions/fees from an Execution Venue.

The all in client price (the combination of price and costs associated with dealing) will differ from the trigger level on the basis of Execution cost / sales margin. For FX limit orders the trigger level will be based on a clean price unless otherwise indicated.

For some instruments, this may mean that the market will need to trade at a price which is equal to the Client Order plus / minus any sales margin before execution can be effected. On occasion this can result in the order execution not being effected due to the additional sales margin, although the market price reached the Order level, or beyond.

Upon consideration of the factors above and any other applicable information relating to Clients or the trade request, Standard Chartered Bank holds the discretion to offer different prices or services to different counterparties for the same or materially similar transactions.

Conflicts of Interest

Standard Chartered Bank is committed to acting transparently when dealing with our clients, as such the firm will endeavour to communicate potential or actual conflicts of interest with you. At times the firm could have conflicts of interest which fall outside of the conflicts which may exist in the course of our principal-dealing and market-making activities. Should such a potential or actual conflict of interest arise, which cannot be reasonably avoided or effectively managed, SCB will disclose in sufficient detail, the conflict(s) in this document.

Post Trade Reporting

Upon request, Standard Chartered Bank will, clearly and within a reasonable timeframe, provide clients with further information regarding our Pre-Deal Price Validation Checks and/or an evaluation of their trade request with regards to handling of their order and/or execution of their trade request. If you require any such information, please contact your Relationship Manager.

Financial Markets

Against Fix Orders (“AFO”)

AFOs arise in situations where you place an explicit instruction, ahead of the actual publication of a reference price, to execute your transaction at a price which is to be determined by reference to a particular benchmark price, or an agreed spread above or below it. The benchmark will be determined in accordance with the rules and procedures applicable to the benchmark administrator. SCB does not actively solicit Against Fix Orders, but where you have specifically requested us to transact on this basis, SCB will do so.

Where the benchmark is based on actual transactional activity, please note that in order to give effect to your order SCB may trade in the market before, during and/or after the window period during which that benchmark is calculated. This transactional activity may have an influence on the eventual published benchmark price.

Please also be aware that, at the time the benchmark price is set, the prevailing market price may not be representative of the benchmark price which is established.

Where the benchmark is based on survey submissions, if SCB is a member of the panel of benchmark submitters, SCB will make such submissions in accordance with any applicable rules and procedures which govern such submissions, including any hierarchy of determining factors to substantiate submissions. Such hierarchy may require data from our own concluded transactions to take precedence over other factors.

SCB shall assume that you agree to transact Against Fix Orders on this basis unless SCB hears from you to the contrary.

Stop Loss Orders Disclosure

You have indicated that from time to time you will place stop loss (or in the opposite direction Take Profit) orders with Standard Chartered Bank. These types of contingent order which trigger a buy or sell order for a specified notional amount, when a reference price reaches or passes a pre-defined trigger level, are collectively termed “SLOs”. SCB handles SLOs on a principal to principal basis and therefore does not segregate the management of SLOs from its core market making operations. Further SCB may engage in risk management transactional activity which may be executed close to a Stop Loss trigger level, and that transactional activity may impact the reference price and result in a Stop Loss being triggered. This risk management may also include ‘pre-hedging’ in anticipation of an SLO nearing the trigger level. SCB shall assume that you agree to transact SLOs on this basis unless SCB hears from you to the contrary.

Indicative Prices

The rates and / or prices displayed on third party venue pages represent indications of Standard Chartered Bank’s reasonable view of the market rate or prices for the instrument(s), as at the displayed time. Standard Chartered Bank makes no representations around the frequency at which these rates or prices will be refreshed. In addition Standard Chartered Bank accepts no responsibility or liability for any usage of these indicative rates or prices by other parties. These rates or prices should not be used to create or contribute to any benchmark (as defined under the IOSCO principles or other relevant guidance / regulation) or for valuations without the written approval of Standard Chartered Bank. The displayed rates and / or prices are indicative only and are not firm dealable quotes, nor formal valuations. Should you require firm dealable quotes please approach your regular Financial Markets contact accordingly. Formal valuations of securities will only ever be provided by Standard Chartered Bank through its Client Valuations Group [Customer.Valuations@sc.com].

Barrier Options Treatment

Standard Chartered Bank (“SCB”) is committed to conducting all transactional activity with its clients and counterparts with skill, care and diligence and to treating them fairly at all times. SCB offers Barrier Options in both FX and Commodities.

FX & Commodities Barrier Options Treatment Disclosure

We consider Barrier Options to be complex instruments that carry a higher degree of risk than what is normally associated with more vanilla products, and as such, SCB offer Barrier Options with the assumption that you have taken the necessary steps to understand the associated risks and complexities of Barrier Options and their related markets.

The following will set out the methods by which SCB will determine the outcome of a barrier option contract:

1. Barrier Option Definition

- SCB defines a Barrier Option as a type of option whose payoff is affected by whether or not the rate or price of the underlying currency pair or commodity (“Underlying”) has reached a predetermined rate or price (“Barrier Rate”). This is referred to as the (“Barrier Event”).
- SCB defines a Barrier Event to be a transaction in the relevant Underlying that has occurred in the spot market either at, or in excess of, the Barrier Rate.
- For example, a knock-out option will terminate ahead of its predetermined expiry date if a Barrier Event is deemed by SCB to have occurred.
- SCB Offers multiple types of barrier option and in some cases the Barrier Rate may be referred to under a different term, this will depend on the specific type of option and will be specified in the related documentation.

2. Determination of a Barrier Event

Acting as Calculation Agent, SCB will act reasonably and in good faith in determining whether a Barrier Event is deemed to have occurred. Our determination will take into account the following factors:

- Transaction Eligibility: In determining whether a Barrier Event has occurred, the relevant reference transactions:
  a. Must be evidenced using information from an electronic platform or broker service.
  b. May include trades to which SCB is a party
  c. Cannot include:
     i. Internal transactions;
     ii. Quotations;
     iii. Transactions that are not directly observable by SCB in the normal course of business;
     iv. Off-market transactions;
     v. Transactions that are known at the point of determination to have been materially amended, or that are in the process of being materially amended.
  d. Must be of relevant market size: relevant market size may vary depending on the underlying market for which the option has been struck. As an example, SCB would view a transaction of USD 3m or equivalent in a G10 currency, traded as one or several transactions, as a relevant market size transaction.
  e. Must have been executed during normal market hours for the underlying.

- Non-transparent markets: Where a barrier option references a non-transparent underlying or one that trades principally through its cross, SCB may be unable to directly determine whether a Barrier Event has occurred using observable trade data. In such cases we may take into account substantially contemporaneous observable transactions in more transparent applicable underlying markets, in order to calculate a cross-rate on which to base our determination.

3. Reference Transactions

Determination of a Barrier Event does not require an order to have been placed at the Barrier Rate by either party to the option. A reference transaction must only meet the criteria set out in section 2 of the barrier options treatment disclosure. It is therefore possible for a Barrier Event to occur whilst simultaneously, an order at the Barrier Rate for one or both parties to the option remains unfilled.

4. Barrier Option Hedging

SCB will generally hedge its barrier option positions with multiple products including spot, forward and options; however, we may not always hedge our positions. SCB may also leave a barrier option position unhedged or partially hedged, and may adjust any related hedge as it sees fit.

5. Hedging in anticipation of, and leading up to, a Barrier Event

In cases where SCB has opted to maintain a hedge on a barrier option position, that hedge will need to be unwound when the Barrier Event occurs. In order to achieve an average fill as close as possible to the Barrier Event, SCB may start unwinding its hedge in anticipation of the Barrier Event, which could affect the likelihood of the Barrier Event occurring. Any such activity will be done in good faith and will not be done with the intent to disrupt the market or directly influence a Barrier Event.

6. Market Making

SCB is an active participant in the spot and options markets as a principal dealer, and at any given time, may be engaged in transactions which may affect the likelihood of a Barrier Event occurring.

7. Advising

SCB does not act as a fiduciary or adviser to its barrier option clients. Without exception, we offer pricing on barrier options on the strict assumption that you have taken all necessary steps to understand the associated risks and complexities of Barrier Options and their related markets. SCB does not offer any assurances or guarantees as to the outcome of a barrier option.

You are advised to exercise your own independent judgment (with the advice of your professional advisers as necessary) with respect to the risks and consequences of entering into any Barrier Options. SCB expressly disclaims any liability and responsibility for any losses arising from any use of this communication and for any errors or omissions in this communication.

Pre-Deal Price Validation Checks

This section highlights the pre deal checks that SCB conducts for all FX cash, FX non deliverable and precious metal products that are dealt through our single dealer platform (S2BX), API connections and ECNs and should be read as a supplement to the Order Execution Policy.

Trade request validation checks are designed to be performed in a timely fashion with no artificial delay. In order to ensure a prompt response to any trade request, processing times are monitored, with a trade request being rejected if a timeout is breached, i.e. due to unanticipated delays.

In line with Principle 17 of the FX Global Code, SCB do not conduct trading activity that utilises information from a trade request until the decision has been made to accept it. Technical limitations may cause an unanticipated delay after a good-faith decision to accept has been made and trading activity has started. In cases where this delay breaches the processing timeout, SCB will reject the trade request and revert to managing its risk excluding the rejected trade.

Electronic communications infrastructure can be subject to latency. The following controls help ensure that SCB's clients only transact on a current (and not an old) price:

Time to Live

- Each quote that a client receives is subject to this check, which will ensure that a client is not able to trade on an old price.
- The client trade request is declined if there has been an excessive period of time passed since an updated quote has been sent

Verification of Deals

These controls are performed when SCB receives a client trade request, and are designed to protect the bank and client against excessive market movement:

Quote Validation

Checks are in place to ensure that the price being traded upon (and the amount) was the price and amount actually quoted

- When a client requests a price, their requested volume will be sent along with their request
- When the quote is made to a client it will be assigned a unique identifier and the volume will be associated with this identifier
- When the client requests to trade the message will refer to the identifier and this can be checked to ensure it matches the system record
- Where this check produces a false result the attempted client transaction is rejected

Price Sanity

A symmetrical check which is used to protect against the prudential risks that both SCB and its clients face in relation to adverse price movements in the market

- Rejects a trade request if there has been a variance in excess of a pre-defined threshold in the price between the time at which the client's request was priced and when the order was received for processing.
- This check is calculated using a quantitative, pre-defined tolerance which will protect against variances and prevent the execution of transactions where the variance exceeds the thresholds.
- Where SCB is the buyer and the client price calculated on receipt is either below or above the client's requested price plus / minus any equal tolerances set, the trade request will be rejected
- Where SCB is the seller and the client price calculated on receipt is either above or below the client's requested price plus / minus any equal tolerances set, the trade request will be rejected

Additional Checks

Client trade requests are subject to various other checks, including but not limited to:

Validation / Compliance Checks

- These ensure that the client is correctly authorised to trade the requested product on the specified account

Credit Checks

- These limit the maximum credit exposure between the bank and the client to limits determined by the bank

Risk Checks

- To limit the risk of rapid build ups of risk, e.g. by limiting rate of new orders and throughput