



GROUPE SOCIETE GENERALE

Information to clients regarding BRD Foreign Exchange Sales and 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 BRD - GROUPE SOCIETE GENERALE S.A. (BRD) and to disclose/inform over the relevant practices of BRD 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 BRD may provide to or agree with you including, without limitation, terms of business, any master agreement for financial transactions, BRD's risk disclosures and such other disclosures as may be provided by BRD from time to time.

Please note also that BRD has committed to the industry best practices outlined in the FX Global Code of Conduct (<https://www.bnr.ro/page.aspx?prid=14336>).

BRD trades as principal in the foreign exchange ("FX") markets in a broad range of currencies in FX spot, forwards (including non-deliverable forwards), swaps and options, both for clients and for its own risk management purposes. Conflicts of interest may arise between you and BRD, as BRD acts on a regular basis not only in the specific product for which you may request pricing, but also for other correlated products. BRD has policies and procedures in place designed to identify and manage conflicts of interest appropriately.

BRD 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 BRD exercises discretion in the execution of an order, BRD will (unless otherwise specifically agreed), execute the order in a principal capacity using its professional judgement, in line with your instructions, taking into account market conditions and BRD's available execution capabilities. BRD's sales and trading personnel do not serve as brokers or agents to a client.

Any statements made by BRD should not be construed as recommendations or investment advice. A counterparty/client 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 BRD 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

BRD is a market maker in a broad range of RON FX products including spot and derivatives. Acting as market maker means that BRD handles a portfolio of positions for multiple counterparties' competing interests as well as BRD's own risk management needs.

BRD acts as principal with its counterparties, and may trade in the same FX products prior to or alongside a counterparty's transaction, including 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, BRD 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 BRD 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.. Please contact your BRD relationship manager if you would like to discuss your options regarding pre-hedging of your orders or for more details on our pre-hedging policy.

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

BRD 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, BRD will provide you with a single "all-in" price for FX transactions, whether orders or requests for quotes. This will include, without any obligation of BRD to disclose the split: (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 BRD over its electronic framework is indicative. Any trade request at a quoted price is submitted in response to such indicative pricing and BRD reserves the right to accept or reject such trade requests in its sole discretion.

BRD 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, the amount of the trade request, trade frequency checks and pricing consistency checks. The pricing consistency check element of a trade request made to BRD through an electronic platform is referred to as “last look” and is a control used to provide risk mitigation to BRD for timing latencies, technology issues and certain trading behaviors.

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.

Algorithmic Execution

BRD does not offer its clients an algorithmic execution service.

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 for FX spot only. BRD might accept for execution only orders that exceed a certain threshold (notional), only on certain currency pairs, only with a certain validity, depending, for instance, on underlying currency pair market liquidity, etc. BRD executes client orders as principal. Specific execution requirements should be agreed with your BRD 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, BRD 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, BRD 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, BRD's final price may include the costs and sales margin referred to above. When these costs and charges will be added to 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 (FX spot rates) can create additional concerns for transaction execution and management of related risks. BRD may decline to accept fixing orders on some reference rates.

If such an order is accepted by BRD for execution, it will be executed as described in the Execution of Orders section above. Unless we inform you otherwise, orders submitted to BRD for execution at FX Spot fixing rates (e.g. NBR) 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.

Information Handling

Unless otherwise agreed, BRD 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, BRD also shares counterparty information as required by its global regulators.

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

We may also analyze, comment on, and disclose anonymized and aggregated information regarding executed transactions, together with other relevant market information, internally and to third parties, as market color.

If you have questions after reading this General Disclosure Statement or concerning BRD's dealings with you, you can contact us at BRDPieteFinanciare@brd.ro (and contact your BRD relationship manager). This General Disclosure Statement is available at www.brd.ro and may be updated from time to time in order to address changing regulatory, industry and other developments.