



Foreign Exchange Global Code Disclosure

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This Disclosure sets out some of the key aspects of the relationship between ICBC Asia and its clients when dealing with ICBC Asia in the wholesale foreign exchange markets, where ICBC Asia transacts in the market as a principal. It is intended to supplement other disclosures concerning the terms and conditions of foreign exchange transactions with ICBC Asia.

This FX disclosure does not override the laws, regulatory rule or other applicable requirements in any jurisdiction in which ICBC Asia operates, the terms of which may vary depending on the precise nature of the FX clients' relationship with ICBC Asia and the jurisdiction(s) in which ICBC Asia operates.

Role of ICBC Asia in relation to its clients / Principal Trading

ICBC Asia acts as an arm's length party in FX dealings with all of its counterparties in wholesale FX markets on a **PRINCIPAL** basis for its own account as a dealer or market-maker.

It does not act as agent, fiduciary, financial advisor or in any similar capacity on behalf of client and thus does not undertake any of the duties that an entity acting in that capacity ordinarily would perform, unless otherwise explicitly agreed between ICBC Asia and the client, and then only where ICBC Asia acts with discretion in execution.

Market Making

As market makers, ICBC Asia may receive requests for quotations and multiple orders for the same or related currency pairs. As principal, ICBC Asia may seek to meet its counterparties' requests and its independent risk management objectives but retains absolute discretion to satisfy its counterparties, including with respect to order execution, aggregation, priority and pricing.

Taking into account market conditions at the time, ICBC Asia's position, including its inventory strategy and overall risk management strategies, its costs, its risks and other business factors and objectives which ICBC Asia elects to consider, ICBC Asia in its principal capacity, may attempt to execute an order when it can expect to make a reasonable return on the transaction.

If and when a counterparty's order becomes executable, it does not mean that ICBC Asia will be able to acquire, sufficient inventory to complete the transaction at the order price

level (after taking into account any spread or similar adjustment reflecting ICBC Asia's return on the transaction) or that there exists a tradable market at that level.

For orders using a third-party pricing source in establishing the reference price, such as Fixing Orders, in the event that such third-party pricing is unavailable or should there be any extraordinary event as determined in good faith by ICBC Asia, including but not limited to legal and regulatory developments, force majeure and market disruption, ICBC Asia shall be entitled to reject to effect the affected counterparty's orders. ICBC Asia shall not be liable to any customer for any loss caused by such extraordinary event.

Pricing

Any firm or indicative price or spread quoted by ICBC Asia is an "all-in" price inclusive of any sales and trading mark-ups & any bid / offer spread. For foreign exchange transactions additional amounts may apply, including (without limitation) a.) 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 b.) any sales commission or mark up(sales margin) determined taking into consideration a variety of factors including but not limited to credit and capital charges , processing and service & relationship costs.

The price, costs and sales margin will vary depending on the client and transaction. The inclusion of costs and /or sales margin will apply to requests for quotes and orders unless otherwise specified. Market volatility may result in significant price movements from the time of receipt of order to the time of order execution. ICBCA will attempt to reflect such price movements, whether positive or negative in the price provided to you

Handling of Orders

Where ICBC Asia is willing to work on an 'order' from client, ICBC Asia is indicating a willingness to attempt & enter a transaction under the conditions requested by the clients. Handling of orders is filled in a fair, timely and complete manner, with proper audit trail.

In general, any order will be managed according to below guidelines. Specific execution requirements should be agreed with ICBC Asia contact in writing or approved recorded media prior to the placing and execution of your order. If there is no specific instruction has been agreed, ICBC Asia will decide, at its discretion, whether to work an order, which orders to execute, when to execute it and how to execute it. There is no assurance that ICBC Asia will be able to fill your order at the exact level stated in your order, unless otherwise pre-agreed by both parties in writing or recorded communication channels. ICBC Asia will use professional judgment to execute the order with the aim of achieving best possible outcome.

A. **Limit Order:** An order will be executed when the prevailing exchange rate reaches the prescribed order price.

- B. **Stop Loss or Stop Profit Order:** An order which is placed to limit your potential profit or loss from an existing position of the relevant currency pairs. The order will be executed when the prevailing rate of the relevant currency reaches the prescribed order price, including but not limited to circumstances triggered by widening of buy/sell spread.
- C. **Market Order:** A market order means an order to transact immediately at the best available price. In executing such order, ICBC Asia will take into consideration various factors, such as prevailing liquidity and market depth, and market forces. ICBC Asia will execute the Counterparties' order using its discretion and expertise to achieve the best price ICBC Asia is able to offer to its Counterparties.
- D. **Fix order:** When you place an order for execution at the fix (eg specific period of time and date) if order is accepted we will execute your transaction at the published fix rate after applying a bid offer spread around that mutually agreed upon price.
- E. **Sizeable order:** ICBC Asia may discretionally execute transactions in several tranches and / or over several days so as to avoid disrupting market function.
- F. **Partial fills order:** ICBC Asia will use its access to liquidity channels and attempt to execute the full size of your transaction, subject to the prevailing market conditions and your instructions. ICBC Asia will assume that partial fills are acceptable to you unless otherwise agreed. Depending on market conditions, the nature and size of the order, the need for timely execution, your order may be made up of a number of smaller transactions at various prices. Where part of your order has been executed, you will be notified of this in a timely fashion unless specified instruction is provided.
- G. **Pre-hedging:** ICBC Asia may pre-hedge orders when acting in a principal capacity ONLY in order to effectively manage market risk. ICBC Asia will not pre-hedge your order when acting as agent on your behalf.

Electronic trading platforms

In some instances, ICBCA may provide you with access to a platform (where available) that enables self-execution of, or the placement of orders in relation to, FX transactions. Where this is the case, you should aware that the price displayed /Quoted consists of a core price combined with a mark up that may take into account, among other things , execution costs , availability of credit , market liquidity and volatility.

Conflict of Interest

ICBC Asia is committed to upholding a high level of integrity and adhering to best practices and requirements published by relevant international groups and regulatory bodies in its dealings with customers. If ICBC Asia acts in circumstances where it has a conflict of interest, ICBC Asia will manage its activities through the relevant policies, procedures and other controls it has in place to mitigate these conflicts, consistent with its status as a market maker and a regulated entity. ICBC Asia, in its discretion, may also decline to act in such circumstances.

Information Handling

A customer should understand that ICBC Asia makes use of information provided to it as principal in order to effectuate and risk manage transactions. Specifically, unless otherwise agreed, ICBC Asia may use the economic terms of a transaction (but not the customer identity) in order to source liquidity in anticipation of customer needs, execute hedging or risk-mitigating transactions, and/or manage the associated trading risk ICBC Asia assumes as a market maker. In addition, as a regulated entity, ICBC Asia also shares customer information with, or as requested by, its regulators.

With regard to executed transactions, ICBC Asia analyses this information on an individual and aggregate basis for a variety of purposes, including (but not limited to) counterparty risk management, sales coverage, quotation levels and transaction pricing and execution, and customer relationship management. ICBC Asia may also analyze, comment on, and disclose appropriately non-specific information regarding orders and executed transactions (e.g. information that has been anonymized and aggregated), and other relevant market information, internally and to certain clients, in order to provide its views on the general state of and trends in the market and/or to provide market color. Clients should understand that information regarding their flows may form a constituent part of the market color ICBC Asia provides to its customers.

Should you have any queries relating to this disclosure and/or ICBC Asia's dealings with you, please do not hesitate to contact your ICBC Asia representative. Please note that this disclosure may be updated from time to time in order to address changing regulatory, industry and other developments.