

Foreign Exchange Trading Disclosures

Raiffeisen Bank International (RBI) is quoting prices to its Clients (a 'Client' is a market participant that is making a trade request on a quoted price). RBI is acting as principal in this respect.

Prices published electronically by RBI are indicative. A trade request submitted to RBI by a Client constitutes an offer to transact, and in determining whether or not to accept that offer RBI performs a series of pre trade checks. These pre-trade checks are implemented as a risk control to (i) compare the price at which the trade request is made with the then current market price; and (ii) ensure that the trade request is within the credit, settlement and other operational limits to which RBI's trading is subject to. These checks may delay acceptance or rejection of a request to trade and are referred to in this Disclosure as "Last Look".

Last Look

Last look is applied by RBI to a request to trade at an electronically streamed price (ESP) as well as to a request for stream (RFS) or request for quote (RFQ) that is submitted to RBI electronically, although the parameters and application of last look may differ across Clients, transaction types and platforms. RBI may take into consideration a Client's historical trading characteristics in setting various parameters, including those relating to Last Look. For instance, activities such as aggregation or order splitting may result in more rejected trade requests. Therefore, the proportion of trade requests that are rejected due to Last Look will depend in part on the trading behavior of the Client and the platforms and connections/latencies through which the Client trades. Further, such settings are subject to change by RBI without notice to the Clients.

For particular FX products, tenors, currency pairs, trading sizes or during particular trading hours RBI may perform a 'cover and deal' trading practice whereby RBI looks to facilitate the Client request while RBI seeks to avoid taking on any market risk. These arrangements may also be utilized when quoting prices that are subject to 'Last Look' in electronic trading activities.

When quoting prices in a 'cover and deal' arrangement, the decision to accept or reject a Client's trade request will be contingent on the execution of offsetting transactions. RBI will attempt to execute these offsetting trades in the market during the period between receiving the trade request and making its decision on whether to deal with the Client ('the last look window'). Partial fills will be passed on to the Client.

If a trade request is rejected, whether as a result of Last Look or otherwise, no information associated with the trade requests is used for conducting any trading activity or positions.

Last Look symmetry

When RBI performs the price check, it is possible that the price RBI calculates as then available to Client may be better or worse than the price set by the Client in its order. If the price moves to the detriment of the Client beyond the tolerance zone, the RBI will reject the order based on an approach which is commonly referred to as "last look symmetry". This approach implies generally also that RBI may pass on the benefit of any price improvement to the Client. RBI generally performs a symmetric last look. The exact behavior may vary by product, platform/vendor and order type. Please note symmetric last look may not always be available to Clients under the following conditions: requested by Client due to their own

technical or business limitations; technical limitations on third party platforms. RBI cannot guarantee the functionality of any last look logic implemented by third party vendors. Clients will need to contact the vendor directly for further information.

Pre Hedging

Pre-Hedging is the management of the risk associated with one or more anticipated Client orders, designed to benefit the Client in connection with such orders and any resulting transactions. Where a Client indicates interest in a potential transaction and provides a request for a quote or places an order, RBI may use that information to engage in Pre-Hedging activities by dealing as principal with a view to facilitate a potential transaction. Any such Pre-Hedging transactions could be at different prices from the price at which RBI transacts with a Client, may affect the market price or liquidity and may result in a profit or loss to RBI. RBI has implemented policies and procedures to manage and mitigate potential conflicts of interest arising from Pre-Hedging.