

## FX Global Code

### Liquidity Provider Disclosure Cover Sheet

#### A. INSTRUCTIONS:

All Liquidity Providers should complete this Cover Sheet in relation to their wholesale foreign exchange market making activities. Liquidity Providers can make use of the FAQs and the “Liquidity Provider Disclosure Cover Sheet Instructions” available on the GFXC website to facilitate the completion of this Cover Sheet ([Disclosure Cover Sheets \(globalfx.org\)](https://www.globalfx.org/docs/disclosure-cover-sheets)). All terms used in this Cover Sheet are as defined in the FX Global Code unless otherwise stated ([https://www.globalfx.org/docs/fx\\_global.pdf](https://www.globalfx.org/docs/fx_global.pdf)).

#### B. SCOPE:

Liquidity Provider / Entity Name: Skandinaviska Enskilda Banken AB (SEB AB)

Most Recent Date Completed: January 2022

Liquidity Provider to confirm the entity / business area(s) to which this Cover Sheet applies:

*Foreign Exchange*

#### C. KEY DISCLOSURES:

##### 1. Capacity (Principle 8)

I. Liquidity Provider acts as (check one):

- Agent
- Principal
- Both

II. If ‘Both’, briefly describe when Liquidity Provider acts in each capacity:

SEB acts as a principal in the FX market. In executing a client order with SEB acting as principal, SEB must, in determining what are sufficient steps to obtain the best possible results for our clients, consider both the interest of those clients as well as our own willingness and capacity to bear market, credit, liquidity and other types of risks. There are however occasions where SEB can act as an agent such as DMA algo orders, even in those cases SEB will compete as principal against other liquidity sources.

III. Liquidity Provider’s disclosure regarding capacity is located here:

*No additional disclosure on capacity.*

## 2. Pre-Hedging (Principle 11)

I. Liquidity Provider ever pre-hedges (check one):

Yes

No

II. If yes, Liquidity Provider ever offers clients, upon request, the option of placing an individual order specifying no pre-hedging (check one):

Yes

No

III. Liquidity Provider's disclosure regarding pre-hedging is located here:

SEB FX Order Handling Client guidelines – Section 3.1

## 3. Last Look (Principle 17)

I. Liquidity Provider ever employs Last Look (as defined in the FX Global Code) (check one):

Yes

No

II. Liquidity Provider's use of Last Look is (check all that apply):

Symmetrical

Asymmetrical

If Asymmetrical is used, briefly describe the circumstances:

III. Liquidity Provider's Last Look window maximum and minimum length (in m/s)

*SEB does not apply any holding time. The last look window is minimum: sub 1ms, our average is sub 10 ms which is the time necessary for credit and price checks. The maximum can be longer due to latency and reasons described below.*

Liquidity Provider may briefly describe the circumstances under which Last Look window times may change

*The type of connection or when there are peak loads of market data during volatile periods as well as technical issues.*

*From a client perspective, the total response time will be influenced by the connection latency between the client and SEB's servers, depending on location as well as other factors.*

IV. Liquidity Provider ever trades during the Last Look window:

No

When sourcing liquidity under a "Cover and Deal" arrangement that meets all of the characteristics set out in Principle 17 of the Code.

V. Liquidity Provider's disclosure regarding Last Look is located here:

*SEB FX Order Handling Guidelines -Section 3*

VI. Liquidity Provider may include free form text regarding any of the above Last Look key topics, if it would like to highlight anything referenced in the main body of its disclosure attached

*SEB applies zero holding time*

## D. DISCLOSURES INDEX:

### Order Handling

#### Order Aggregation (Principle 9)

I. Liquidity Provider's disclosure regarding order aggregation is located here:

*SEB FX Order Handling Guidelines Section 4*

#### Discretion (Principle 9)

I. Liquidity Provider's disclosure regarding use of discretion is located here:

*SEB FX Order Handling Guidelines Section 4*

#### Time-Stamping (Principle 9)

I. Liquidity Provider's disclosure regarding time-stamping is located here:

Manually handled orders: When executing orders at the same level, and when working “at best orders”, SEB will attempt to prioritize on a FIFO (First in First out) basis, taking into account relevant factors such as order size and time horizon. When executing “at best” orders SEB’s traders will, unless given specific instructions from the client, endeavour to fill the order as quickly as reasonably practicable. When using discretion, SEB traders will always work in the best interest of the client. SEB will continue normal market-making activities during the execution of the order and manage our own position.

For electronically handled orders, SEB does not follow a FIFO model. No priority is given to any individual client when posting orders or executing stop losses, the order is non-deterministic.

Whether an order is manually or electronically handled will depend on a number of parameters including currency pair, size, time and market conditions.

### Stop-Loss Orders (Principle 10)

- I. Liquidity Provider’s disclosure regarding stop-loss orders is located here:

*SEB FX Order Handling Guidelines Sections 5 and 6*

### Partial Fills (Principle 10)

- I. Liquidity Provider’s disclosure regarding use of partial fills is located here:

*SEB FX Order Handling Guidelines Section 4*

### Additional Disclosures

#### Use of Reference Prices (Principle 13)

- I. Liquidity Provider’s disclosure regarding use of reference prices is located here:

*SEB FX Order Handling Guidelines Section 5*

#### Markup / Fair Pricing Standards (Principle 14)

- I. Liquidity Provider’s disclosure regarding use of mark-up is located here:

All prices charged to Clients by Sales and Trading staff should be fair and reasonable, considering applicable market conditions and SEB's internal risk management practices and policies, and all staff should understand their obligation to always act honestly, fairly, professionally, and without misrepresentation, when determining the price quoted to clients and counterparties.

Mark-up is applied to compensate SEB for actual and expected costs and risks assumed in providing services to clients, and such compensation should be commercially reasonable. What is deemed to be commercially reasonable may vary from time to time, and between service providers. SEB should reflect, but is not required to agree precisely with, the prevailing price on capital, liquidity or any risk, but shall engage in free competition with other investment firms to produce shareholder value, a concept that takes into account the interests of Clients.

### Aggregation Services (Principle 18)

- I. Liquidity Provider uses aggregation services:

Yes

No

- II. If 'Yes', Liquidity Provider's disclosure describing its aggregation services is located here:

SEB's offering of aggregation services is done via our algo suite: TWAP, DynamicX, Peg, and Aggressive watch. For a more thorough description of our algo offering please check:

*Algo due diligence Questionnaire*

- III. Liquidity Provider's disclosure regarding use of liquidity sources is located here:

*Algo due diligence Questionnaire – Conflicts of interest, Routing policy*

### Internal sharing of Confidential FX Trading Information (Principle 19)

- I. Liquidity Provider's high level disclosure regarding internal sharing of confidential FX Trading Information is located here:

*SEB FX Order Handling Guidelines Section 2.2*

### Market Colour (Principle 20)

- I. Liquidity Provider's disclosure regarding use of Market Colour is located here:

*SEB FX Order Handling Guidelines Section 2.3*

