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 (globalfxc.org)).

All terms used in this Cover Sheet are as defined in the FX Global Code unless otherwise stated (https://www.globalfxc.org/uploads/fx_global.pdf).*

> *Terms used in Deutsche Bank's responses will bear the meaning to such terms set out in Deutsche Bank's FX Disclosures which are available at: https://www.db.com/fxdisclosures . The responses set out in this document do not represent a full statement of Deutsche Bank's business practices in wholesale foreign exchange markets and should not be relied on as such. Customers should review and rely on the full disclosures linked above, any other terms of business or disclosures provided by Deutsche Bank and the terms of their agreements with Deutsche Bank.*

B. SCOPE:

Liquidity Provider / Entity Name: Deutsche Bank AG (Deutsche Bank)

Most Recent Date Completed: 29 September 2022

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

> *This cover sheet relates solely to the wholesale foreign exchange business of Deutsche Bank, a business unit of its Fixed Income and Currencies (FIC) business division, which services customers of DB's investment bank and corporate bank on a principal to principal basis. Foreign Exchange services provided by other business units of Deutsche Bank may be subject to different practices, disclosures and conditions and are not included in this cover sheet.*

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:

> *Not applicable*

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank's Role in Relation to its Customers"*

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

> **Generally Deutsche Bank engages in pre-hedging as part of its day to day principal trading activities as set out in its disclosures (although unexecuted trade requests which are subject to last look controls are not subject to pre-hedging) and clients are not able to request that Deutsche Bank changes this practice for all transactions on a client specific basis. There may be some circumstances in which Deutsche Bank may agree, or determine, that it will not engage in pre-hedging in respect of a particular trade request or transaction, whether because of a legal or regulatory requirement, in light of the confidentiality or risk of a particular trade request, and/or following a client request related to a particular (typically larger) trade request.*

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading"*

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:

Deutsche Bank operates four methods of configuring the operation of the price check, being "asymmetric", "symmetric", "symmetric with price improvement" and submission of "at latest" orders. Any of these methods may be selected by a customer, subject to electronic platform functionality and procedures not controlled by Deutsche Bank.

If a customer does not express a preference for a price check methodology, then Deutsche Bank employs the asymmetric price check because:

- *it leads to fewer trade rejections and therefore less execution risk compared to the symmetric price check where other factors are equal;*
- *there is no risk of price slippage, unlike the at latest options and the symmetric plus price improvement method; and*
- *it does not require the technological capability to handle potential price slippage associated with the symmetric plus price improvement or at latest price check methods.*

A fuller discussion of these matters is set out in https://www.db.com/fxdisclosures, "Electronic Trading".

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

Deutsche Bank operates a last look process comprised of a price check and a validity check. Deutsche Bank does not apply an additional hold time over and above the time taken to complete price and validity checks. The "last look window" as used in this section means the time taken to complete the price and validity checks.

The time required to perform the price check will be up to **10 milliseconds,** *based on the time taken to establish the current price, which is subject to factors such as technological anomalies and latencies, geographical location, and the products traded. Where trading activity is less affected by these factors the duration of the price check may be reduced.*

The validity check comprises elements such as (without limitation) limits on counterparty exposure, credit checks, permissioning of currency pairs, and other controls. The duration of the validity check may be affected by latencies (on networks or on Deutsche Bank's internal systems), the Deutsche Bank system used (or connected to) by the client, market liquidity, geography, time of day, product and currencies.

The duration of the last look window (and price check) may differ for products other than spot foreign exchange.

Customers should review https://www.db.com/fxdisclosures "Electronic Trading" for a fuller discussion of these matters.

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

The durations stated above or otherwise provided to customers assume the normal functioning of markets, systems and other infrastructure. Technical problems, failures or disruption of infrastructure, systems and/or disrupted markets may extend the duration of the last look window beyond the durations provided to clients. The liquidity provided, the proportion of trade requests that are rejected and the duration of the price check are reviewed periodically by Deutsche Bank. The factors applicable to one customer and its trading (such as technological anomalies and latencies, geographical location and products traded) may differ from those applicable to other customers and may lead to differences in pricing, liquidity, duration of price check and acceptance rates among customers. A fuller discussion is set out in https://www.db.com/fxdisclosures, "Electronic Trading"

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.

> ** Deutsche Bank's general practice in electronic trading of foreign exchange is not to trade during the last look window, but as a full service dealer in foreign exchange markets Deutsche Bank may agree with particular customers from time to time to deal on a "Cover and Deal" arrangement as set out in Principle 17 of the Code, which may result in trades during such period. Fuller details are set out in https://www.db.com/fxdisclosures, "Electronic Trading"*

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

> *See https://www.db.com/fxdisclosures, in "Electronic Trading" and "Deutsche Bank Trading", "General"*

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

> *Clients should review https://www.db.com/fxdisclosures "Customer Trade Requests" and "Deutsche Bank Trading" for a full description of Deutsche Bank's last look and related trading practices.*

D. DISCLOSURES INDEX:

Order Handling

Order Aggregation (Principle 9)

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading", "Execution of Trade Requests". Please also see Deutsche Bank's Order Execution Policy, available at: https://www.db.com/order-execution-policy*

Discretion (Principle 9)

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading", "Execution of Trade Requests" as well as "Customer Trade Requests".*

Time-Stamping (Principle 9)

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading",*
> *"Execution of Trade Requests".*

Stop-Loss Orders (Principle 10)

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading",*
> *"Execution of Trade Requests".*

Partial Fills (Principle 10)

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading",*
> *"Execution of Trade Requests".*

Additional Disclosures

Use of Reference Prices (Principle 13)

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

> *See https://www.db.com/fxdisclosures "Reference Prices and High/Low*
> *Rates".*

Markup / Fair Pricing Standards (Principle 14)

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

> *See https://www.db.com/fxdisclosures "Customer Pricing"*

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:

> *See: https://www.db.com/fxalgo (also available at https://www.db.com/fxdisclosures under the heading "FX Algorithmic Execution and Aggregation Disclosure").*

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

> *See https://www.db.com/fxdisclosures "Deutsche Bank Trading", "Execution of Trade Requests".*

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:

> *See https://www.db.com/fxdisclosures "Customer Information"*

Market Colour (Principle 20)

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

> *See https://www.db.com/fxdisclosures "Customer Information"*