

## **Conflicts of Interest and Material Incentives**

### **Introduction**

We are providing you with this Disclosure of Conflicts Statement (“Disclosure Statement”), which describes generally typical material incentives and conflicts of interest that we may have with respect to Transactions (as defined below). These Transactions may relate to Underliers (as defined below) consisting of one or more of the following classes of reference assets: interest rates, foreign exchange rates and currencies, credit instruments, asset-backed instruments, equities, and commodities. In addition, we may provide you with additional disclosure statements for Transactions in each of these Underliers to supplement the information provided herein, as well as Transaction-specific disclosures in connection with particular Transactions. This Disclosure Statement should be read in conjunction with such disclosures. **You may decide to not enter into a Transaction on the basis of any of the disclosures made in this Disclosure Statement.**

In this Disclosure Statement and any supplemental disclosure statement that expressly refers to this Disclosure Statement:

- “we”, “our”, “ours”, and “us” refer to Société Générale and each of our affiliates;
- “you”, “your” and “yours” refer to each of the persons to which this Disclosure Statement is provided in connection with entering into, executing or agreeing upon the terms of Transactions with us, as indicated in any written or electronic transmittal of the same;
- “Transaction” means a transaction entered into, executed or agreed between us that in any such case is governed by either or both the standard terms of business or any master agreement in place between you and the relevant Société Générale entity with which you are dealing;
- “Transaction Economics” means the value of a Transaction, its usefulness for your intended purpose, the timing or amount of payments or deliveries and, if applicable, the likelihood that you will be able to exercise any option rights;
- “Underlier” means any rate (including interest and foreign exchange rates), currency, commodity, security, instrument of indebtedness, index, quantitative measure, occurrence or nonoccurrence of an event, or other financial or economic interest, or property of any kind, or any interest therein or based on the value thereof, in or by reference to which any payment or delivery under a Transaction is to be made or determined;
- the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”; and
- the phrase “otherwise agreed” shall be deemed to be followed by the phrase “expressly in writing”.

We are providing this Disclosure Statement and, if applicable, any related supplemental disclosure statements, in part to comply with certain rules of the Markets in Financial Instruments Directive. This Disclosure Statement supplements any “Summary of the Conflicts of Interest Policy” issued to you (if applicable) at the commencement of your client relationship with the Societe Generale entity with which you deal.

You should not construe the content of this Disclosure Statement as legal, financial, tax, accounting or other advice. More generally, unless expressly agreed in writing, we are not providing you with legal, financial, tax, accounting, or other advice in connection with any Transactions or any Underliers, and you should consult your own attorney, financial advisor, tax advisor or accountant as to legal, financial, tax, accounting and related matters concerning any Transactions, including the impact on your business and the requirements and results of conducting Transactions.

**NOTHING IN THIS DISCLOSURE STATEMENT AMENDS OR SUPERSEDES THE EXPRESS TERMS OF ANY TRANSACTION BETWEEN YOU AND US OR ANY RELATED GOVERNING DOCUMENTATION.** Accordingly, descriptions in this Disclosure Statement of the operation of Transactions and the consequences of various events are in all cases subject to the actual terms of a Transaction executed between you and us and its governing documentation (whether or not such qualification is expressly stated).

### **A. Our financial market activities may adversely impact Transactions**

We may act as, among other things, an investor, research provider, placement agent, underwriter, distributor, remarketing agent, structurer, securitizer, lender, investment manager, investment adviser, commodity trading advisor, municipal advisor, market maker, index sponsor, trader, prime broker or clearing broker. In those and other capacities, we may purchase, sell or hold a broad array of investments, we may trade securities, loans, commodities, currencies, credit instruments, indices, baskets, derivatives, and other financial instruments for our account or for the accounts of

our customers and other counterparties, including Transactions, or provide advice or other services that may result in our customers engaging in such activities. We may have other direct or indirect interests in these products and the markets, data providers, index sponsors, clearinghouses, settlement systems and other market utilities with respect to such products. We may provide liquidity to a trading venue, clearing member or exchange member. We may be a participant on an exchange settlement committee. We may be a participant or sole index sponsor in determining the constituents of an index and may submit or compile estimates or prices upon which an index is based, or provide or calculate transaction data.

We may own equity in, provide financing to, serve on the board of directors of, provide investment banking advice on mergers, restructurings and other corporate actions to, or initiate or participate in the enforcement of remedies against, issuers and other third parties whose activities may influence or otherwise affect the price, value, or level of Underliers and/or the Transaction Economics.

Our financial market activities may, individually or in the aggregate, materially affect the value of an Underlier, either positively, or negatively, and may adversely affect your Transaction Economics. You should expect that our interests, and the interests of our customers or other counterparties, may at times be adverse to your interests under or in connection with Transactions we conduct with you. Unless otherwise required by applicable law or agreed in connection with a particular Transaction, we are not acting in your best interests and we are not assessing the suitability of the Transaction for you. Without limiting the foregoing (except as the same may be limited by applicable law), we may engage in the following activities, which may, individually or in the aggregate, adversely affect your Transaction Economics, create a conflict between your and our interests and give us a material incentive to enter into Transactions with you:

#### 1. Publish research reports or otherwise express views regarding Underliers

We may publish research from time to time on Underliers or Transactions. More generally, we may express views on financial markets and other matters that may influence the price, value, or level of the Underliers and related Transactions in a way that adversely affects your Transaction Economics.

Our personnel, including sales and trading, investment research and investment management personnel, may make investment recommendations, provide market color or trading ideas, or publish or express independent views in respect of a wide range of issuers, securities, other instruments and market variables, including interest rates, inflation, foreign exchange, commodities and other variables that may be relevant to an Underlier. These strategies may include, for example, buying or selling a financial instrument or buying or selling credit protection against a default or other event involving an issuer or financial instrument. Any of these recommendations and views may be positive or negative with respect to an Underlier or other securities or instruments similar to or linked to an Underlier or may result in trading, investment, or hedging strategies that have a positive or negative impact on the market for such securities or instruments, particularly in illiquid markets. In addition, you should expect that our trading, research or investing personnel will have or develop independent views regarding an Underlier, Transaction or relevant industry or other market trends, which views may be inconsistent with your views or objectives in connection with particular Transactions and may adversely affect your Transaction Economics.

Any research, opinions or recommendations expressed by us or our affiliates may not be consistent with each other and may be modified from time to time without notice. You should make your own independent investigation of the merits of entering into each Transaction and the Underliers.

#### 2. Trade for our own account or the account of customers

We may on a regular basis trade (taking long or short positions, or both concurrently) in instruments identical or economically related to your Transactions or the Underliers. We may engage in these activities for our own proprietary accounts, for accounts under management or to facilitate transactions (including block transactions) on behalf of customers.

Subject to any express agreement in the documentation governing a Transaction, we may, in our discretion, decide to hedge our exposure under Transactions by taking positions in the Underliers or related instruments. We may pre-position in anticipation of Transactions we conduct for you, if we deem necessary, for the purposes of managing our risk. We may adjust our hedge dynamically by purchasing or selling the Underliers or related instruments, and may close out or unwind our hedge positions. Our market activities in connection with such hedging may occur, or become more frequent or of greater magnitude, in connection with or in anticipation of the initiation or termination or exercise of your Transactions, on or before a valuation or observation date, or, in the case of option Transactions, when the

price, level or value of the Underlier is near the exercise level or level at which a “barrier” or other condition may be satisfied. We may also structure, trade and market instruments that may take opposing economic positions to your Transaction.

The foregoing trading activities may adversely affect (i) the price, value, or level of Underliers and Transactions, (ii) the likelihood that an option Transaction will be in-the-money or become exercisable or that a barrier event will occur, or (iii) your trading, investment or hedging strategies or results. The results of your Transactions may differ significantly from the results achieved by us for our proprietary or managed accounts. We are under no duty to inform you about the nature or extent of our trading activities or to refrain from or restrict such activities as a result of being your counterparty to Transactions or having received any information regarding your trading interest with respect to Transactions, except in each case to the extent we have expressly agreed in writing or as may be required under applicable law.

### 3. Engage in similar Transactions with other counterparties

We may engage in Transactions with other counterparties that have trading, investment, or hedging objectives that are similar to yours. This may create potential conflicts where there is limited availability or limited liquidity for those Transactions. We may also engage in Transactions with other counterparties that have trading, investment, or hedging objectives adverse to yours. We are under no duty to inform you of the nature or identity of these other counterparties or their respective Transactions.

Transactions by multiple counterparties may have the effect of diluting or otherwise negatively affecting the values, prices or levels of Underliers or Transactions, or your trading, investment or hedging strategies or results. The results of your Transactions may differ significantly from the results achieved by other counterparties.

### 4. Possess non-public information relevant to Transactions

Acting in the various capacities noted above or elsewhere may give us broad access to the current status of certain markets, investments and products. For example, we may have investment banking or other commercial relationships with and access to information from the issuer(s) of securities, financial instruments, or other interests underlying your Transactions. As a result, we may be in possession of information, which, if known to you, might cause you to seek to dispose of, retain or increase interests in one or more Transactions. Unless otherwise agreed, we will be under no duty to make any such information available to you, except to the extent that disclosure may be required under applicable law.

### 5. Lack information across business lines and affiliates

As a result of logistical, technical and physical separation between and among business lines, administrative functions and legal entities, including informational barriers constructed between different divisions, the natural persons acting on our behalf to engage in Transactions with you are unlikely to have access to all information known collectively by all of our business lines, and they may not be able to consult with personnel in other business lines. If so, they will not have the benefit of all the information held by and among all of our business lines and administrative functions.

### 6. Act as calculation agent, valuation agent, collateral agent, or determining party

We may act as the calculation agent, valuation agent, collateral agent, or other determining party with respect to Transactions for determining payments or deliveries during the term of Transactions, upon termination or otherwise, any disruption events, dilution adjustments or termination events, and any other terms of a Transaction as agreed with you. In such capacity, our role and our duties will be limited to those set out in the Transaction or the governing documentation, it being understood that our economic interests with respect to Transactions in which we act as a calculation agent or other determining party are potentially adverse to yours with regard to the Transactions. Determinations we make in one or more of these roles may adversely affect the Transaction Economics.

### 7. Have an economic interest in the execution venue or clearinghouse

We may have an ownership or other economic interest (such as the right to receive payment for order flow, reporting or other fees) in a swap execution facility, designated contract market, national securities exchange, or other trading venue on which Transactions may be executed. We may have ownership or other economic interests in a clearinghouse to which a Transaction executed between us could be submitted or given up for clearing. We may have access to one or more trading venues or clearinghouses and not others. Our directors or employees may serve as

directors of one or more trading venues or clearinghouses. In such cases, we may derive financial or other benefits if your Transaction is executed and/or cleared at such venue or clearinghouse. Conversely, it may be financially advantageous for us if a Transaction is executed bilaterally and not cleared (applicable law permitting). For example, if a Transaction is not cleared, we may incur lower funding costs, derive a funding benefit or face more favorable market conditions in which to hedge our exposure resulting from a Transaction.

#### 8. Act as an agency broker or clearing broker

If we act as your agent for the execution of Transactions, subject to applicable law, we may have discretion to decide where to direct your orders, to solicit persons to trade opposite those orders, or to enter into Transactions opposite those orders for our own account or the account of our affiliates or customers. We may derive financial and other benefits (such as the right to receive payment for order flow, reporting or other fees) from such decisions. We (including an affiliate of your named counterparty) may act as your futures commission merchant or other clearing broker with respect to cleared Transactions. A clearing broker may earn a return from the investment of customer funds deposited to margin cleared Transactions. Accordingly, we may have an incentive to encourage you to use our services (including those of an affiliate) as your futures commission merchant or other clearing broker.

#### 9. Act as index sponsor

We may act as index sponsor for certain indices that may be Underliers to Transactions.

Potential conflicts of interest may exist in such cases as we take on separate roles (i.e. Transaction counterparty, calculation agent and index sponsor). In accordance with the index methodology, the index sponsor will determine the prices and other data relevant to the calculation of the level of the index, including whether a market disruption event or other event permitting suspension of the index has occurred. In limited circumstances, the index sponsor may add, delete or substitute the components of the index, make other methodological changes that could change the level of the index or alter, discontinue or suspend calculation or dissemination of the index, any of which may affect the Transactions. As index sponsor we will determine, calculate and publish the index, while we also may issue, enter into, promote, offer or sell transactions or investments linked, in whole or in part, to the index. In addition, we may have, or may have had, interests or positions, or may buy, sell or otherwise trade positions in or relating to the underlying assets linked to the index. Such activities may or may not have an impact on the level of the index and therefore on the value of Transactions. In light of these different roles performed by us, you should be aware of our potential conflicts of interests.

#### B. Disclosure applicable to Foreign Exchange Transactions

We may act on a regular basis as principal or agent in the FX markets not only for the specific product for which you are requesting pricing but also for other correlated products. We may also act in the FX markets at any time for our own account or upon orders received from other clients who may have similar or different interests compared to your interests. In addition, we may prehedge client orders, with the intention of facilitating order execution and reducing potential market impact. In any instance, there is a risk that the above activities may have an impact on the market price of the product for which you request pricing. Those activities may also affect the likelihood of your order being executed or of an event being triggered.

Orders include, without limitation, stop-loss orders, take profits, at best orders, and orders on a fixing. 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 every reasonable effort to execute the order with the best possible outcome. We will accept your order within this operating framework. Failure on your part to indicate that you do not agree to us acting as outlined above will be deemed as consent to us so acting.