

Statement of Commitment

STATEMENT OF COMMITMENT TO THE FX GLOBAL CODE

E.SUN BANK SINGAPORE BRANCH ["Institution"] has reviewed the content of the FX Global Code ["Code"] and acknowledges that the Code represents a set of principles generally recognised as good practice in the wholesale foreign exchange market ["FX Market"]. The Institution confirms that it acts as a Market Participant as defined by the Code, and is committed to conducting its FX Market activities ["Activities"] in a manner consistent with the principles of the Code. To this end, the Institution has taken appropriate steps, based on the size and complexity of its Activities, and the nature of its engagement in the FX Market, to align its Activities with the principles of the Code.

E.SUN BANK SINGAPORE BRANCH

Date: 10/09/2018



Explanatory Note to the Statement of Commitment to the FX Global Code

The FX Global Code [“Code”] sets out globally recognised principles of good practice in the wholesale foreign exchange market [“FX Market”]. It is designed to promote a robust, fair, liquid, open, and appropriately transparent market, to help build and maintain market confidence, and in turn, to improve market functioning. The Statement of Commitment [“Statement”] provides Market Participants with a common basis by which they can demonstrate their recognition of, and commitment to, adopting the good practices set forth in the Code.

1. How should the Statement be used and what are the benefits?

The Statement has been developed to support the objectives of the Code such as enhancing transparency, efficiency, and functioning in the FX Market. To that end, it provides a means by which (i) Market Participants can signal their intention to adopt, and adherence to, the Code’s good practices, and (ii) Market Participants, and others, can more objectively assess the operational and compliance infrastructures of other Market Participants. Like the Code, the Statement is voluntary and Market Participants may choose to make use of it in different ways. For example, Market Participants may use the Statement publicly, by publishing it on their website, or bilaterally, by providing it directly to other Market Participants, such as existing or prospective Clients or counterparties; it may also be used by Market Participants in connection with membership of some regional foreign exchange committees (FXCs), where applicable.

Among the primary benefits of using the Statement is raising awareness of the Code and promoting its objectives in a pro-competitive manner. Use and publication of the Statement provides a positive signal to Clients, counterparties, and the wider market, of a Market Participant’s commitment to following good practice. Widespread use of the Statement will raise the profile of the Code, supporting a common understanding across the FX Market of what constitutes good practice in key areas and encouraging the broadest constituency of Market Participants to engage with and support the Code and its objectives.

2. What does using the Statement represent?

It represents that a Market Participant:

- (i) has made an independent determination to support the Code and recognises it as a set of principles of good practice for the FX Market;
- (ii) is committed to conducting its FX Market activities in a manner that is consistent with the principles of the Code; and
- (iii) considers that it has taken appropriate steps, based on the size and complexity of its activities, and the nature of its engagement in the FX Market, to align its activities with the principles of the Code.

Whether and to what extent a Market Participant adopts and implements the guidelines set forth in the Code is a decision that each Market Participant should make for itself, as is the decision of whether and to what extent a Market Participant elects to utilise the Statement of Commitment.

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3. Market Participants vary, for instance, in relation to the size and nature of their FX Market activities. How is that taken into account?

As noted in the Foreword to the Code, the FX Market features a diverse set of participants who engage in the FX Market in different ways and across various FX products. Both the Code and the Statement have been written and should be interpreted with this diversity in mind.

What this means in practice is that the steps each Market Participant takes to align its activities with the principles of the Code will reflect the size and complexity of its FX Market activities, and the nature of its engagement in the FX Market, and will take account of Applicable Law. Ultimately, the decision of what steps should be undertaken in support of a Market Participant's Statement, and in what manner, resides with each Market Participant, reflecting an appropriate internal assessment. For some Market Participants, appropriate steps may include reviewing their practices in light of the Code and establishing and maintaining policies, procedures, and controls reasonably designed to support their commitment. In addition, Market Participants might assess the appropriate levels of senior management oversight and establish dedicated staff training or embed into existing training.

4. How should Market Participants take account of their corporate structure?

This is a matter for each Market Participant to determine. The Statement has been designed flexibly to accommodate group companies providing a single, group-level statement, or individual group entities providing their own statements.

5. What processes should a Market Participant consider implementing before using the Statement?

Market Participants should consider what type of governance and approval processes would be appropriate for them to implement in connection with their use of the Statement. These processes will vary between Market Participants, but it is anticipated that the individual, or group of individuals, responsible for approving the Market Participant's use and publication of the Statement will have appropriate oversight of the Market Participant's FX Market activities and the authority to make statements of the type contained in the Statement. A Market Participant's assessment of the appropriateness of its own implementation policies and practices should be made independently from the assessment by other Market Participants.

6. When should a Market Participant start using the Statement?

As noted above, Market Participants may take different steps to support their use of the Statement. The time taken to implement such steps may vary depending on the current practices of the Market Participant and the size and nature of the Market Participant's business. Having considered feedback from a broad range of Market Participants, it is anticipated that most Market Participants will need approximately 6 to 12 months to prepare to use the Statement.

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7. How frequently should a Market Participant review/renew their Statement?

Given that the nature of a Market Participant's business may change over time, Market Participants that use the Statement should consider what steps they will take to review their activities for alignment with the Code's principles. The steps taken should reflect the size and complexity of the Market Participant's FX Market activities and the nature of its engagement in the FX Market. Whereas some Market Participants may consider setting a regular schedule for review, others may vary their approach based on how their business changes over time.

In addition, it is anticipated that the Code will be updated from time to time to reflect emerging issues, changes in the FX Market, and feedback from Market Participants and others. Upon publication of future updates to the Code, Market Participants should consider renewing their Statement, having regard to the nature of those updates, as well as the size and complexity of their FX Market activities and the nature of their engagement in the FX Market.

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