

HSBC Global Markets

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BEST EXECUTION POLICY

1. Purpose and Scope

This Execution Policy sets out HSBC Bank – pobočka Praha, and HSBC Bank plc's, Corporate, Investment Banking and Markets (jointly referred to as "HSBC", "we", "our") service for our ("Clients") when executing a Client trading instruction on behalf of a Client ("Client Order") in taking all reasonable steps to provide the best possible result ("Best Execution") as described in the Markets in Financial Instruments Directive ("MiFID"), where the HSBC internal procedures ("Execution Policy") set out the operational details of providing this service.

HSBC will provide Best Execution if the transaction for its Client is in respect of a financial instrument listed in MiFID Annex I Section C ("Financial Instrument") a copy of which is available from www.hsbcnet.com/bestexecution and where our Client is relying on us to act on their behalf and protect their interests in relation to their trading instruction.

2. Best Execution Factors and Criteria

When executing a Client Order, we will take all reasonable steps to achieve the best possible execution result on a consistent basis. Ordinarily, the best possible result for Clients shall be determined in terms of total consideration, representing the price of the financial instrument and the costs related to execution. We may use our commercial experience and judgement to give precedence to other factors such as speed, likelihood of execution and settlement, size, nature of the order, market impact and implicit transaction costs, but only insofar as they are instrumental in providing you with Best Execution in terms of the total consideration.

Notwithstanding the above, we will also take into account other criteria such as the type of Client Order, the financial instruments that are the subject of that Client Order and the execution venues to which that order may be directed.

3. Specific Instruction Warning

Where you provide us with a specific instruction as to how to execute your order we shall, where possible, endeavour to carry out your instruction. However, please note that by acting on your specific instruction, we may be prevented from executing your order in accordance with our Execution Policy. To the extent that a Client provides us with a specific instruction, we will be treated as having satisfied our obligation to take all reasonable steps to obtain the Best Execution for the Client but in respect of those aspects of execution which are not covered by the specific instruction, we will process the order in accordance with our Execution Policy.

4. Monitoring

We will monitor the effectiveness of our execution arrangements on a regular basis to ensure that we achieve Best Execution for Client Orders on a consistent basis but should a Client have any concerns about HSBC's execution arrangements the Client should speak with the HSBC Client Liaison team whose details have been communicated to you. Written queries regarding the Best Execution, Execution Policy or requests for further information should be mailed in hard copy to:

HSBC Bank plc - pobočka Praha
FLORENTINUM
Na Florenci 15
110 00 Praha 1

5. Amendments to the Policy

We reserve the right to amend this policy as necessary. We will review this policy at least annually. Where a material change has occurred in the policy, including changes to the list of execution venues we place significant reliance upon, we will inform you by publishing these on the following website www.hsbc.cz and www.hsbcnet.com/bestexecution.

6. Execution Venue Selection

Detailed below is a list of the execution venues that we place significant reliance on, as we believe they offer the best prospects for affording you the best possible result on a consistent basis. This list is not exhaustive and we may use other execution venues from time to time and provided that the Client has given its prior express consent, HSBC will execute orders outside a regulated market or Multilateral Trading Facility.

HSBC entity (entities)

HSBC Bank plc – Prague Branch
HSBC Bank plc branch of foreign bank in Bratislava
HSBC Bank plc London
HSBC Securities (USA) Inc
HSBC Bank Middle East
HSBC Bank Hong Kong
HSBC Bank Japan
HSBC México S.A.
HSBC Bank Brazil
HSBC Bank Singapore
HSBC Bank Korea
HSBC Bank India
HSBC Trinkaus & Burkhardt
HSBC France
HSBC Greece
HSBC South Africa

Asia

Hong Kong Hong Kong Stock Exchange
Japan Tokyo Stock Exchange
Korea Korean Stock Exchange
Singapore Singapore Stock Exchange
Taiwan Taiwan Stock Exchange

North American Exchanges

Canada Toronto Stock Exchange
U.S.A. NASDAQ
U.S.A. New York Stock Exchange

Europe Middle East and Africa

Austria Wiener Borse
Belgium Euronext
Denmark Copenhagen Stock Exchange
Dubai Dubai International Financial Exchange
Finland Helsinki Stock Exchange
France Euronext
Germany Xetra
Greece Athens Stock Exchange
Italy Borsa Italiana
Netherlands Euronext
Norway Oslo Bors
Poland Warsaw Stock Exchange
Portugal Euronext
South Africa Johannesburg Stock Exchange



Sweden OMX - Stockholmborsen
Switzerland Virt-X
Turkey Istanbul Stock Exchange
UK London Stock Exchange
Tokyo Financial Futures Exchange (TIFFE)
Osaka Securities Exchange (OSE)
International Petroleum Exchange (IPE)

Fixed Income and FX Trading Platforms

Brokertec
ESpeed
MTS and affiliates
Creditex
GFI Creditmatch

Futures Exchanges

Euronext Liffe
Euronext Paris
Euronext Amsterdam
EUREX
Chicago Board of Trade (CBOT -eCBOT)
Chicago Mercantile Exchange (Globex)
Singapore Exchange Limited (SGX - SGX ETS)
Sydney Futures Exchange (SFE -Sycom)
Hong Kong Stock Exchange (HKEX)
Tokyo Stock Exchange (TSE)