

Client Order Execution Policy

1. Purpose of the Policy

This Client Order Execution Policy (the “Policy” or the “CS Client Order Execution Policy”) sets forth information relating to how Credit Suisse International (“CSI”), Credit Suisse Securities (Europe) Limited (“CSSEL”), Credit Suisse AG (London Branch) (“CSLB”), Credit Suisse Bank (Europe), S.A (“CSEB”) and Credit Suisse (Deutschland) Aktiengesellschaft (“CSD”) (together “CS” “we” or “us”) seeks to provide best execution as required by the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”), when executing orders or quotes on behalf of clients. Reference in this Policy to MiFID II shall be understood: (i) in respect of CSI, CSSEL, and CSLB to MiFID II as implemented in the UK, in particular through the Financial Conduct Authority (“FCA”) Conduct of Business Sourcebook (“COBS”), (ii) in respect of CSEB, to MiFID II as implemented in Spain, in particular through Section 8 Chapter I, Title VII of the Spanish Securities Market Act “Management and execution of orders”, and its developing regulations (“Spanish Applicable Legislation”) and (iii) in respect of CSD, to MiFID II as implemented in Germany, pursuant to Section 82 of the German Securities Trading Act (WpHG).

In this Client Order Execution Policy references to “our” and “ours” refer to CS (or, where CS is acting on behalf of another person, including where that person is an affiliate, that person); and “you”, “your” and “yours” refer to the client. This Policy provides general information in respect to CS’s approach to best execution, it is supplemented by appendices which provide further details to our considerations as they relate to differing asset classes. The appendices should be read in conjunction with this Policy and cover the following products:

- Cash Equities;
- Exchange-Traded Derivatives;
- Exchange-Traded Funds;
- Equity Derivatives;
- Rates (including government bonds);
- Credit (including loans and structured products); and
- FX.

2. Scope of Policy

This Policy is provided to you as a professional client (the “client”) of CS regardless of whether you are an elective professional client or a per se professional and it is not applicable to business conducted with eligible counterparties. This Policy is not directed at, or intended for retail clients and should not be considered for such persons. In accordance with MiFID II and where the best execution obligation applies, when executing orders or quotes CS will take all sufficient steps to obtain the best possible result for its clients, taking into account the execution factors set out in Section 6. The requirements relating to obtaining the best possible result (“best execution”) for clients will be applied to any relevant transaction, in a MiFID II financial instrument, that would be so defined where any part of the origination or execution of the client order or transaction involves a sales person or trader located in the EEA who has a direct relationship with the client, regardless of where the client is established. In order to apply a consistent approach across CS and in line with our commitment to ensure high regulatory standards, CS will apply the best execution requirements contained in this Policy to certain non-MiFID II financial instruments e.g. Spot FX and loans in respect of secondary market loan trading, this is despite the fact that they fall outside of the scope of the regulatory requirements. The complete list of relevant MiFID II and non-MiFID II financial instruments to which this Policy applies are defined in Schedule 1 to this Policy.

3. What is Best Execution

Best execution is the requirement to take all sufficient steps to obtain the best possible result when either executing transactions on your behalf or using other affiliates or brokers to execute transactions on your behalf, taking into account the following execution factors: price; costs; speed; likelihood of execution and settlement; size; and nature of the transaction or any other consideration relevant to the execution.

4. Application of Best Execution

4.1 Agency or Riskless Principal Trading

Subject to Section 4.4 below, the obligation to provide best execution will always arise in circumstances where we are acting in an agency (i.e. entering into a trade for you and on your behalf) or riskless principal (i.e. entering into a trade in the market as principal but on the basis that we have an equivalent transaction with you) capacity or have a contractual obligation to do so. Examples of the relevant types of orders that are applicable in these circumstances can be found in the asset class specific policies contained as appendices to this Policy.

4.2 Principal Trading

The best execution obligation is also applicable when we are acting in a principal capacity and you are placing a legitimate reliance on us to protect your interest in relation to the execution of a transaction. When executing on a principal basis, in order to determine whether clients are placing legitimate reliance on CS, the European Commission sets out in Appendix to the Committee of European Securities Regulator's (CESR) questions and answers on "Best Execution under MiFID" (CESR/07-320), four considerations set out in a letter from the European Commission which should be applied. Consequently, when negotiating transactions or receiving orders from you on a principal basis, to determine whether you are placing legitimate reliance on us, we will assess the following:

- which party initiated the transaction – In examples where you initiate the transaction it is less likely that you are placing legitimate reliance on CS. In circumstances where CS may communicate trade ideas, market communications or indicative prices as part of general business we do not believe that this will be deemed to have initiated the transaction;
- the market practice and the existence of a convention for clients to "shop around" - Where market practice for a particular asset class or product suggests that you will have ready access to various providers who may provide quotes and you have the ability to shop around, it is less likely that you will be placing legitimate reliance on CS. In general, this is how we consider the majority of transactions with sophisticated, professional clients would be executed;
- the relative levels of transparency within a market – In circumstances where pricing information is transparent and it is reasonable that you have access to such information, it is less likely that you will be placing legitimate reliance on CS; and
- the information provided by you and any agreement reached – Where any agreements or arrangements with you (including the provisions within this Policy) do not indicate or suggest that an understanding has been reached that you will place any legitimate reliance on CS or CS has agreed to provide best execution.

4.3 Examples

Circumstances where you may be considered to be placing a legitimate reliance on CS may include, but are not limited to:

- where CS attempts to find the opposite side of your trade on a riskless principal or agency basis and therefore elects not to execute on a risk basis. Resting orders would be an example of such activity, however this may also apply to other riskless principal scenarios where CS may be working a client order;
- where your order is a cash equities transaction through CS's own Systematic Internaliser;

- trades where CS is given discretion on how and when to execute your order either on an agency, riskless principal or principal basis. Resting orders executed as principal could be an example of this;
- where you are seeking to exit a complex structured trade where it would be reasonable to consider that you are unable to shop around;
- transactions where a hedge executed by CS is the specific reference price used to determine the level of an underlying price for your derivative transaction; and
- other circumstances where you may be considered a captive client e.g. there is a lack of client choice over where to execute a trade due to the complexity or nature of the transaction and you would therefore be unable to seek alternative quotes;
- best execution will also be owed in respect of structured notes depending on our role and whether you legitimately rely on us to protect your interests in this trade.

4.4 Where Best Execution will not apply

Notwithstanding any other provision in this Section 4, the obligation to provide best execution will not generally apply where you as the client:

- are seeking a quote in competition and have the ability to shop around for alternative prices;
- specify the price/quote and the trade is executed on risk;
- apply other conditions which may be considered as “Specific Instructions”; or
- place an order as an Investor in a Capital Markets Transaction to the extent you are a client (as that term is defined in the Rules) of CS in relation to that Capital Markets Transaction.

5. Client Specific Instructions

Where you provide CS with a Specific Instruction in relation to an order, CS will follow that instruction so far as is reasonably possible when executing the trade. By following your Specific Instruction, we will have satisfied the obligation to provide you with best execution in relation to that transaction. Examples of such instructions may include but are not limited to requests to execute on a particular venue or to execute an order over a particular timeframe. In circumstances where you give us a Specific Instruction which applies only to one part or one aspect of an order, CS will follow that instruction so far as is reasonably possible when executing the trade. By following your Specific Instruction, we will have satisfied the obligation to provide you with best execution in relation to the relevant part of the transaction to which the Specific Instruction applied. The remaining portion of that order not covered by such instructions may still be applicable for best execution in accordance with the criteria laid out in this Policy.

You acknowledge that a Specific Instruction from you may prevent CS from taking the steps that it has designed and implemented in this Policy to obtain the best possible result for the execution of those orders in respect of the portion of the trade covered by your Specific Instruction.

6. Application of Execution Factors

In order to achieve the best possible result for you, CS will give consideration to a range of execution factors when determining the best outcome for you. Some of the below factors are considered to be more important than others; however, there are situations where the relative importance of these factors may change in accordance with instructions that you provide or broader market conditions.

The execution factors that CS will consider are:

- Price – this is the price a financial instrument is executed at;
- Costs – this includes implicit costs such as the possible market impact, explicit external costs e.g. exchange or clearing fees and explicit internal costs which represent CS's own remuneration through commission or spread;
- Speed – time it takes to execute a client transaction;

- Likelihood of execution and settlement – the likelihood that we will be able to complete a client transaction;
- Size – this is the size of the transaction executed for a client accounting for how this affects the price of execution; and
- Nature of the transaction or any other consideration relevant to the execution of the transaction – this is how the particular characteristics of a client transaction can affect how best execution is received.

The asset class specific policies contained as appendices to this Policy contain further information on how execution factors are considered for achieving best execution per asset class. Whilst they set out the order of relative priority, a variety of criteria are taken into account in assessing this and appropriate consideration will be made based on a transaction by transaction basis. The above execution factors list indicates the importance of being able to exercise the appropriate judgment in the best interests of the client given the differing needs and requirements of each client transaction and the broader market.

Whilst determining the relative importance of each executing factor CS will take into account the following in the context of the market:

- the characteristics of the client;
- the characteristics of the transaction;
- the characteristics of financial instruments that are the subject of the transaction; and
- the characteristics of the Execution Venues to which the transaction can be directed.

Generally, we consider that the most important execution factor for our professional clients is the price the relevant financial instrument is executed at. However, there may be circumstances where the primary execution factors may vary and price is no longer the dominant execution factor; for example, for transactions in illiquid securities, likelihood of execution and market impact become more important. During the trading process when applying consideration to each execution factor, CS will use our experience and expertise to achieve the best balance across the full range of factors; this includes where they may conflict with each other. Overall this may mean that CS does not always achieve the best price for every client transaction, but the best result that can be reasonably expected given the information available during the execution process. However, it should be noted that when undertaking a transaction any specific execution factors specified by you will always be paramount in ensuring best execution is provided.

7. Method of Execution

7.1 Execution Venues

When executing your transactions or when placing your orders with (or transmitting your orders to) other entities (including affiliates) to execute, CS will take all sufficient steps in order to obtain on a consistent basis the best possible result. Typically CS may use one or more of the following venue types when executing your order:

- Regulated Markets;
- Other exchanges that are not Regulated Markets;
- Multilateral Trading Facilities (“MTFs”);
- Organised Trading Facilities (“OTFs”)
- Systematic Internalisers (“SIs”) (such as CS’s own SI);
- CS trading desks’ principal positions (CS own positions or where acting as a liquidity provider by house filling an execution);
- Third party investment firms, brokers, and/or affiliates acting as a market maker or other liquidity providers; and
- Other internal sources of liquidity.

CS will not unfairly discriminate between Execution Venues or types (i.e. brokers) but will make a decision on an Execution Venue based on a consideration of the execution factors and where relevant other qualitative factors, relating to an Execution Venue's characteristics e.g. its:

- clearing schemes;
- circuit breakers;
- scheduled actions; or
- any other relevant considerations.

These factors will generally be secondary to the general execution factors listed at Section 6 above. The asset class specific appendices direct to the CS webpage where further information on the main Execution Venues on which CS executes can be found. A full list of Execution Venues which are accessed directly and where CS may place significant reliance for the execution of your transactions can be found in Schedule 2 to this Policy. CS will endeavour to choose the Execution Venue in order to achieve the best possible result for you. Where we apply different fees depending on the Execution Venue, we will explain the differences so that you may understand the advantages and disadvantages of the choice of a venue.

7.2 Electronic Trading Services

Orders received by CS through its Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services) where an Execution Venue is specified are routed directly to that venue on a non-discretionary basis. In circumstances when we do not take an active role in determining your execution parameters, we will seek to transact that order in accordance with your instructions. CS reserves the right however to intervene in the routing and execution of such orders where the original parameters could result in adverse market impact.

7.3 Algorithmic Orders

An algorithmic order is an order executed by an automated strategy according to specific parameters and/or conditions. Advanced Execution Services ("AES") contains CS's suite of algorithmic trading strategies and tools for the trading of such products as cash equities, futures and options and FX. When trading via AES, we employ proprietary algorithms that intelligently seek the best prices and liquidity across a wide range of venues, subsequently best execution obligations apply to these executions. The primary goal of the algorithms is quality and certainty of execution. When executing on a venue, the algorithms are designed to only take the best price, venue costs never take precedence and venues are visited dynamically based on available prices for taking liquidity. In general, the decision to execute or not on a certain venue is driven by the algorithm that has been chosen and what its specific goals are.

7.4 Internalisation

In order driven markets such as cash equities, unless you instruct us otherwise, CS may choose to "internalise" your order by executing the order or part of the order from our own principal book. We will treat our principal book as an Execution Venue and as with other Execution Venues, it is subject to this Policy. We will internalise transactions only where applying the same factors we apply to other Execution Venues, and where we have concluded that the internalisation of the order provides you with best execution. In the case of transactions subject to the systematic internalisation rules of MiFID II, we will apply these rules when operating as a Systematic Internaliser. Internalisation is a more difficult concept in quote driven markets where CS always trades as principal, but we consider that in markets such as spot FX, where we may offset one transaction against one or multiple opposing transactions to be an example of internalisation.

7.5 Affiliates and Brokers

When executing your order CS may choose to utilise either affiliated or non-affiliated brokers to assist in the execution of client trades. CS undertakes periodic reviews to determine that any affiliate or non-affiliate brokers used are able to provide the appropriate level of experience and expertise when executing in that market. Furthermore, on a periodic basis CS also ensures that whilst taking into account all relevant execution factors affiliate and non-affiliate broker executions are monitored, so that CS may satisfy our self that best execution is being met on a consistent basis and any conflict of interests are managed appropriately.

The use of affiliates provides specific benefits to client executions, these factors include but are not limited to governance, oversight and transparency of an order, consistency of order handling and front to back trade processing. Whilst aware of potential conflicts of interest in using affiliates to execute your transactions, CS will seek to mitigate such conflicts through our monitoring and review programme.

8. Trading Obligations in Shares Derivatives

CS will ensure the trades it undertakes in shares admitted to trading on a Regulated Market or traded on a Trading Venue take place on a Regulated Market, MTF or Systematic Internaliser, or an Equivalent Third-country Trading Venue, as appropriate, unless those shares are out of scope for such obligation pursuant to Article 23 MiFIR.

CS will ensure that transactions which:

- (a) it concludes with financial counterparties (as defined in EMIR) and non-financial counterparties exceeding the EMIR clearing thresholds;
- (b) are neither intragroup transactions nor transactions covered by the transitional provisions in EMIR; and
- (c) are in derivatives pertaining to a class of derivatives that has been declared subject to the trading obligation in accordance with the procedure set out in Article 32 MiFIR and listed in the register referred to in Article 34 MiFIR are concluded only on Regulated Markets, MTFs, OTFs or Equivalent Third-country Trading Venues.

9. Consent to Execute away from a Regulated Market, MTF or OTF

CS may, subject to your express consent as required by MiFID II, execute all or part of your order outside of a Regulated Market, MTF or OTF. The request to provide such consent is included in a consent letter provided to you with these Terms. In the absence of an explicit response from you to the contrary in relation to this information, if you place an order with us, we will treat you as having provided us with consent to trade outside a Regulated Market, MTF or OTF, as we believe it is in your best interest for us to do so. In addition to the above, CS is also required under the MiFID II rules to obtain your express consent when exercising our discretion to decide whether or not to publish unexecuted limit orders in shares which are admitted to trading on a Regulated Market or traded on a Regulated Market, MTF or OTF. The request to provide such consent is included in a consent letter provided to you with these Terms. In the absence of an explicit response from you to the contrary in relation to this information, if you place an order with us, we will treat you as having provided us with consent not to publish any unexecuted limit orders, as we believe it is in your best interest for us to do so.

10. Fees, Commissions and Mark-Ups

Regulators require that CS demonstrates that it is taking sufficient steps to get the best possible price for a client when the obligation arises. In order-driven markets such as cash equities CS charges an agreed commission on a trade which is built into the execution price. In quote driven markets such as fixed income, CS, in common with our competitors, does not charge an explicit commission but imposes a mark-up or spread between where it may buy a financial instrument and where it may sell the same instrument. CS will ensure that mark-ups and spreads charged on transactions where best execution is owed are reasonable, not excessive and will be within a range that we

consider reasonable for the product type, tenor and size of the trade. In each case we shall specify the fees charged by us or indicate the maximum fees or range of the fees that may be payable. CS shall only receive third-party payments or non-monetary benefits which are not otherwise permitted by the Rules where such benefit is designed to enhance the quality of the service we provide you, and does not impair our ability to act honestly, fairly and professionally in your best interests. We shall inform you about the inducements that we may receive from the Execution Venues. Furthermore, CS will not seek to benefit from clients through asymmetric price movements e.g. where we may pass on any adverse price movements to the client while retaining for our self any movement in the client's favour.

11. Reporting

In accordance with the obligations highlighted in MiFID II requirements, as an investment firm that executes client orders, CS will summarise and make public on an annual basis, for each class of financial instruments, the top five Execution Venues in terms of trading volumes where it has executed client orders.

12. Monitoring and Review

CS has implemented a governance framework and control process through which it monitors the effectiveness of our order execution arrangements (including this Policy), to identify and, where appropriate, correct any deficiencies. Through this governance framework and controls process CS will assess whether the Execution Venues included in this Policy provide the best possible result for you or whether we need to make changes to our execution arrangements. We will review our order execution arrangements and Policy at least annually or whenever a material change occurs that affects our ability to obtain the best result for the execution of your orders on a consistent basis using the venues included in Schedule 2 to this Policy. Any material changes to this Policy will be published via the CS internet portal. If you make a reasonable and proportionate request for information about our policies or arrangements and how they are reviewed we shall answer clearly and within a reasonable timeframe.

13. Records

Communications which relate to CS's activities shall be recorded in accordance with Clause 7.1 of the General Terms.

14. Definitions

In this Client Order Execution Policy, the following terms shall have the meanings ascribed to them below (unless provided otherwise in any part of these Terms):

CESR/07-320 Best Execution under MIFID	Committee of European Securities Regulator's (CESR) questions and answers on "Best Execution under MIFID" (CESR/07-320) issued in May 2007.
Client Order	A verbal or electronic (e.g. Bloomberg, FIX) agreement to execute a transaction on behalf of a client regardless of whether the CS is acting in a principal, riskless principal or agency capacity in any of the financial instruments listed in Schedule 1.
Client Transaction	An execution with a client where CS is acting in a principal, riskless principal or agency capacity on any of the instruments listed in Schedule 1 to this Policy.
COBS	The Financial Conduct Authority Conduct of Business Sourcebook.
CSD	Credit Suisse (Deutschland) Aktiengesellschaft.
CSI	Credit Suisse International.
CSLB	Credit Suisse AG (London Branch).

CSSEL	Credit Suisse Securities (Europe) Limited.
CSEB	Credit Suisse Bank (Europe) S.A.
EEA	European Economic Area which includes all member states of the European Union plus Norway, Lichtenstein and Iceland.
EMIR	Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
Equivalent Third country Trading Venue	A non-EEA venue assessed as equivalent to a Trading Venue in accordance with Article 25(4)(a) MiFID II.
Execution Venue	A Trading Venue, a Systematic Internaliser, or a market maker or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing.
MiFID II	The European Parliament and Council Directive on Markets in Financial Instruments (No. 2014/65/EU) and any implementing directives and regulations.
MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.
Multilateral Trading Facility or MTF	A multi-lateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments in a way that results in a contract in accordance with the provisions of Title II of MiFID II.
Organised Trading Facility or OTF	A multi-lateral system which is not a Regulated Market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in accordance with Title II of MiFID II.
Regulated Market	A multi-lateral system operated and/or managed by a market operator, which facilitates the bringing together of multiple third-party buying and selling interests in financial instruments in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of Title III of MiFID II.
Resting Order	An instruction to buy or sell a financial instrument in a specified size where the client is committed to the execution.
Riskless Principal	Where CS buys and sells a financial instrument on a principal basis at the same price (exclusive of a markup/markdown or commission) but where we do not retain any market risk for the transaction.
Spanish Applicable Legislation	Section 8 Chapter I, Title VII of the Spanish Securities Market Act "Management and execution of orders", and its developing regulations.
Securities Market Act	Spanish Royal Decree 4/2015 approving the Securities Market Act.
Specific Instruction	Instructions provided to CS by a client when placing an order for execution, examples of such instructions may contain, but are not limited to, the selection of a limit price, a

period of time the order may remain valid or request to execute the order on a specific venue.

**Systematic
Internaliser
or SI**

An investment firm which, on an organised, frequent and systematic basis, deals on own account by executing client transactions outside a Regulated Market or an MTF.

Trading Venue

A Regulated Market, an MTF or an OTF.

Schedule 1 – Instruments to which the CS Client Order Execution Policy applies

The Policy applies to the following MIFID II Financial Instruments:

1. Transferable securities;
2. Money-market instruments;
3. Units in collective investment undertakings;
4. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
5. Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
6. Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a Regulated Market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
7. Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Schedule 1 and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
8. Derivative instruments for the transfer of credit risk;
9. Financial contracts for differences;
10. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a Regulated Market, OTF, or an MTF; and
11. Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

In addition to the above, and as clarified in Section 2 (Scope of Policy), the Policy also applies to the following non-MIFID II Financial Instruments:

1. Spot FX; and
2. Loans, in respect of secondary market loan trading.

Schedule 2 - Trading Venues and SIs

1. Execution Venues on which CS places significant reliance

The list below includes the venues on which CS places significant reliance to comply with our Policy. It is made up of the Regulated Markets, MTFs and OTFs to which CS has direct access, in addition to Systematic Internalisers. Each separate appendix which provides supplementary information in relation to each specific asset class also summarises Execution Venues used to execute transactions. These can be in addition to the information provided below and may include, but are not limited to, exchanges accessed through the CS affiliates, and external brokers.

2. Exchanges on which CS places significant reliance (where CS is a member) include:

ATHEX (Athens Stock Exchange SA)

Baltic Exchange Ltd.

BATS Chi-x Europe

Bolsa de Madrid (Sociedad Rectora de la Bolsa de Valores de Madrid, S.A. Sociedad Unipersonal)

Borsa Italiana S.p.A.

Deutsche Borse AG (Eurex)

Deutsche Borse AG (Xetra)

ICE Futures Europe (Intercontinental Exchange, Inc.)

The London Metal Exchange

London Stock Exchange plc

MEFF (MEFF Sociedad Rectora de Productos Derivados, S.A., Sociedad Unipersonal)

NASDAQ Dubai Ltd.

NASDAQ OMX Nordics (Nasdaq Copenhagen A/S)

NASDAQ OMX Nordics (Nasdaq Helsinki)

NASDAQ OMX Nordics (Nasdaq Stockholm AB)

Euronext Amsterdam NV

Euronext Brussels SA/NV

Euronext Lisboa SA

Euronext Paris SA

Oslo Stock Exchange

SIX Swiss Exchange Ltd.

Tallinn Stock Exchange (Nasdaq Tallinn AS)

Vienna Stock Exchange (Wiener Borse AG)

Warsaw Stock Exchange

Irish Stock Exchange plc (Xetra)

The list of the exchanges on which CS places significant reliance to comply with our Policy will be reviewed at least annually.

3. MTFs / OTFs on which CS places significant reliance (where CS is a member) include:

360T

Aquis Exchange

Bloomberg BMTF

Creditex Brokerage

Currenex

Equiduct Systems Limited

FXall

FX Connect

GFI Brokers MTF

GFI Securities MTF

ICAP iSwap MTF

ICAP WCLK MTF

Integral

ITG (Investment Technology Group Inc.)

MarketAxess

Nex Markets EBS

Tradeweb MTF

Trad X

Tullet Prebon TPEL

Tullet Prebon PTSL

Turquoise Global Holdings Limited

UBS MTF

The list of MTFs / OTFs on which CS places significant reliance will be reviewed at least annually.

4. Systematic Internalisers where CS places significant reliance include:

Citadel

Credit Suisse

Janes Street

JP Morgan

Sun Trading

Tower research

Virtu

The list of Systematic Internalisers on which CS places significant reliance will be reviewed at least annually.

Annex 1 to Schedule 2 - Cash Equities

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to cash equity instruments and convertible bonds. Cash equity instruments include: common stock, rights, warrants, preference shares, American depository receipts (“ADRs”) and global depository receipts (“GDRs”) (collectively referred to as “Cash Equities”). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

Cash Equities are executed via three trading desks:

- High-Touch Secondary Trading (“HT”)
- Advanced Execution Services (“AES”), including transactions conducted through Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions)
- Program Trading (“PT”)

The origins of orders placed with each desk can be either manual or electronic. Manual or voice execution orders are client instructions to trade that typically originate from phone calls or instant messaging. Electronic orders are transmissions of client instructions to trade via the messaging protocol FIX.

CS owes a duty of best execution when executing Client Orders on your behalf. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction; and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you; or where we execute an order as agent or riskless principal on your behalf. Examples of these include market orders, resting orders, limit orders, market on open/close and fill or kill orders.

For the majority of Cash Equity executions, except in certain circumstances, the obligation to provide best execution will ordinarily apply, particularly when executing via HT, AES and PT desks. For convertible bond executions, the obligation to provide best execution will ordinarily apply to a resting order where the client may specify the price, size or other conditions for the transaction they are looking to execute.

Best execution obligations are unlikely to apply where you have asked us for a quote (“RFQ”), as we generally take the view that in the context of the European Commission’s four considerations (Appendix to CESR/07-320 Best Execution under MiFID) there is no legitimate reliance being placed on us to meet the relevant best execution requirements. Furthermore, where you provide us with a Specific Instruction, such as the time an order should be placed or specifying the use of an algo, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

3. Prioritisation of Execution Factors

When executing transactions where best execution applies, CS will take into account the execution factors listed in section 6 of the CS Client Order Execution Policy.

Whilst we have provided these in order of relative priority below, a variety of criteria will be taken into account in assessing the prioritisation of execution factors. Criteria for consideration includes the characteristics of each individual order such as client preferences, market conditions, when the order is received and the size of order. It is

important to note that in certain circumstances, for example high volatility or an illiquid market, likelihood of execution may become the primary execution factor.

All three Cash Equities businesses, HT, PT and AES assess each client order based on their accompanying instructions. Client Specific Instructions determine how each order is split into components and also dictate how these are executed. Consequently, the prioritisation of execution factors varies on a per-order basis.

Outside of any Specific Instructions provided by the client, the most important execution factor when handling orders will be the price of the relevant financial instrument.

Subject to any Specific Instruction, the following provides an example of the execution factors prioritisation that may be applied:

- 1. Price
- 2. Likelihood of Execution
- 3. Size
- 4. Costs
- 5. Speed
- 6. Other Considerations

Once an order has been received it is split for execution in accordance with any accompanying Specific Instructions. As part of assessing how to split a client order, this may be done manually, via an algorithm or by a combination of the two. This process will follow a differing priority of execution factors to meet the desired overall objective on a per order basis. Client Specific Instructions permitting, market impact is taken into consideration.

Orders received directly to AES contain electronic instructions to utilise a host of custom tactics that wrap-up to a number of headline algorithmic strategies. Each algorithm utilises specific logic to split and execute orders according to the selected algorithm. Combined with the details of each order, the prioritisation of execution factors will vary on a per order basis. Further information on the offering of AES algorithms is available through your sales representative.

Unless explicitly instructed otherwise in a Specific Instruction, all Cash Equities businesses benefit from smart order routing logic. The Smart Order Router ("SOR") has a single order routing profile within which clients may choose to customise certain features. Combined with the details of each order component being executed, the prioritisation of execution factors will vary on a per order basis. The SOR has several order routing components. Please contact your sales representative for a full explanation of these components and the core real-time routing factors they employ.

As above, there may be scenarios where the priority of execution factors will vary. For example when client orders are posting liquidity, likelihood of execution may become a more important factor.

For convertible bond transactions, CS prioritises execution factors as follows:

- 1. Price
- 2. Speed
- 3. Size
- 4. Costs
- 5. Likelihood of Execution
- 6. Other Considerations

4. Order/Quote Handling

Specific Instructions for all three Cash Equities businesses, HT, PT and AES are received in a number of ways including phone, instant messaging and electronically via FIX messaging. The Specific Instructions determine how each order is split into components and also drive how these are executed.

In order to meet the obligation to take all necessary steps to obtain on a consistent basis the best possible result for the execution of Client Orders the Cash Equities trading desks may use one or more of the Execution Venues listed in section 7.1 of the CS Client Order Execution Policy.

Further to Section 9 of the CS Client Order Execution Policy, from a Cash Equities perspective, there is a default order routing profile for all Clients. Upon discussion with their AES representative, clients can request to customise certain features of the default profile to suit their needs.

CS employs a proprietary SOR that seeks the best prices and liquidity across a wide range of venues. The primary goal of the SOR is quality and certainty of execution. In general, the decision to post-or-not to a venue is driven by the individual algorithm that is being chosen, and what its goals are.

Unless explicitly requested not to, CS may also choose to internalise your order by executing from our own principal book or matching with other client orders. For further information please see section 7.4 of the CS Client Order Execution Policy.

Orders received by CS through its Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions) are passed through the SOR unless a specific venue is instructed. In circumstances when we do not take an active role in determining your execution parameters, we will seek to transact that order in accordance with their instructions. CS reserves the right however to intervene in the routing and execution of such orders where the original parameters could result in adverse market impact.

Where CS does not support the clients’ desired execution destination, in order to provide market access to such liquidity we may choose to direct the client order to an affiliate or a third party broker for execution. For further information in relation to the use of affiliates and brokers please see section 7.5 of the CS Client Order Execution Policy.

5. Execution Venues

The summary of the Execution Venues that are used by CS, either as a member, via an affiliate or through other third party brokers for transacting Cash Equities are listed below. These Execution Venues will be reviewed at least annually.

Primary Markets	Member	3 rd Party Broker / CS Affiliate
Austria	X	
Czech Republic		X
Estonia	X	
Euronext – Belgium	X	
Euronext – France	X	
Euronext – Netherlands	X	
Euronext – Portugal	X	
Germany	X	
Greece	X	
Hungary		X
Ireland	X	
Israel		X
Italy	X	

Nasdaq OMX – Denmark (including Auction on Demand)	X	
Nasdaq OMX – Finland (including Auction on Demand)	X	
Nasdaq OMX – Sweden (including Auction on Demand)	X	
Norway	X	
Poland	X	
Russia		X
South Africa		X
Spain		X
Switzerland	X	
Turkey		X
UK	X	
Alternative Lit Venues		
Aquis Exchange	X	
BATS (including Periodic Auction and Large in Scale)	X	
BATS Periodic Auction Book	X	
Chi-X	X	
Equiduct	X	
Turquoise (including Block Discovery)	X	
Alternative Dark Venues		
BATS Dark	X	
Chi-X Delta	X	
Nordic@Mid – Stockholm	X	
Nordic@Mid – Copenhagen	X	
Nordic@Mid – Helsinki	X	
Turquoise Plato Uncross	X	
UBS MTF	X	
Systematic Internalisers		
Citadel	X	
Credit Suisse	X	
Jane Street	X	
JP Morgan	X	
Sun Trading	X	
Tower Research	X	
Virtu	X	

Annex 2 to Schedule 2 - Exchange Traded Derivatives

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to exchange-traded futures and exchange-traded options (collectively referred to as “Exchange-Traded Derivatives” or “ETD”). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

CS owes a duty of best execution when executing Client Orders on your behalf. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction; and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you; or where we execute an order as agent or riskless principal on your behalf. Examples of these include resting orders, limit orders, market on close/open and fill or kill orders.

Exchange-Traded Derivatives are conducted on an agency/riskless principal basis which means the price we receive from the Execution Venue is the price you receive, plus commissions and fees. In circumstances where orders are worked for you as a client either through electronic or voice execution services, then best execution will apply to such executions. Furthermore, where you provide us with a Specific Instruction, such as the time an order should be placed or specifying the use of an algo, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

3. Prioritisation of Execution Factors

When executing those Client Orders to which best execution applies, CS will take the following execution factors into account:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size; and
- nature or any other consideration relevant to the execution of an order.

Whilst we have provided these in order of relative priority in the sections below, a variety of criteria will be taken into account in assessing the prioritisation of execution factors, including appropriate consideration on a transaction by transaction basis. Criteria for consideration include the characteristics of each individual order such as client preferences, market conditions, when the order is received and the size of order. Generally, the most important execution factor for our clients will be the price the relevant financial instrument is executed at. However, as set out below, in more illiquid markets, the primary execution factors may vary, such as likelihood of execution becoming more significant.

Due to the potential levels of volatility in the Exchange-Traded Derivatives market that may affect both price and volume, we will seek to provide you with the fastest execution reasonably possible, although delays may occur.

As a general indication, the execution factors are likely to be considered as follows, although these will be assessed on a case by case basis and subject to any Specific Instructions:

- For Exchange-Traded Derivatives (futures and listed options including physically settled commodities via Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions)) in liquid markets, for both quote driven and order driven activity, we prioritise execution factors as follows:
 - 1. Price
 - 2. Size
 - 3. Speed
 - 4. Costs
 - 5. Likelihood of Execution
 - 6. Other Considerations

- For Exchange-Traded Derivatives (including physically settled commodities via Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions)) in illiquid markets, for both quote driven and order driven activity, we prioritise execution factors as follows:
 - 1. Likelihood of Execution
 - 2. Price
 - 3. Costs
 - 4. Size
 - 5. Speed
 - 6. Other Considerations

Note that, for block trades executed outside of the central order book of the relevant Exchange, while price will remain a key execution factor, the likelihood of execution and other considerations (such as confidentiality of the position) will also be important factors.

- For other scenarios we prioritise execution factors as follows:
 - 1. Other Considerations
 - 2. Size
 - 3. Speed
 - 4. Price
 - 5. Likelihood of Execution
 - 6. Costs

4. Order Handling

Client Orders may be placed with CS through a variety of means. Orders placed through manual (phone orders or instant messaging) or electronic means (e.g. FIX protocol) will be dealt with via the trading desk who will determine the strategy on handling your order, based on the prioritisation of execution factors above and taking into account any particular criteria or instructions provided.

Where an order is received that meets particular size criteria or specific parameters such as minimum block or crossing thresholds, it may be possible for CS to execute such orders outside of the central order book of the relevant exchange utilising the exchange’s block or crossing functionality. In such circumstances we will look to secure the best possible result for you, given any parameters set, by utilising relationships with market makers or liquidity providers.

Client Orders received via Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions) are executed directly on an Execution Venue by you selecting individual trade parameters which will be passed through to the relevant exchange in accordance with our standard Electronic Trading Services Terms (set out in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions). As highlighted in section 7.2 of the CS Client Order Execution Policy, as CS does not play an active role in the taking

of such orders and will follow your instruction to the extent they are provided, we will not accept responsibility for those parameters or decisions selected by you.

By their nature, Client Orders placed via AES will automatically be executed on the relevant venue in accordance with the algorithm selected by you. There may be circumstances where this is not possible or where the order is unusual in some way, in such instances the order will be routed to the trading desk for review prior to execution.

Where CS does not support the clients' desired execution destination, in order to provide market access to such liquidity we may choose to direct the client order to an affiliate or a third party broker for execution. The affiliate or third party broker charges a commission for the execution which is in turn passed onto the client. For further information in relation to the use of affiliates and brokers please see section 7.5 of the CS Client Order Execution Policy.

5. Execution Venues

The summary of the Execution Venues that are used by CS, either as a member, via an affiliate or through other third party brokers for transacting Exchange-Traded Derivatives are listed below. These Execution Venues will be reviewed at least annually.

ASX (Australia Stock Exchange)	MEFF Exchange
ASX24 (formerly Sydney Futures Exchange)	MEXDER (Mexican Derivatives Exchange)
BM&FBOVESPA	MFE (Montreal Futures Exchange)
Bursa Malaysia Bhd	MGEX (Minneapolis Grain Exchange)
CBOT (Chicago Board of Trade)	MOEX (Moscow Exchange)
CFE (CBOE Futures Exchange)	Nasdaq OMX
CFFEX (China Financial Futures Exchange)	NSE (National Stock Exchange of India Ltd.)
CME (Chicago Mercantile Exchange)	NYMEX (New York Mercantile Exchange)
COMEX (Commodities Exchange)	NYSE EURONEXT (Paris, Lisbon, Ams, Brussels)
EEX (European Energy Exchange)	OCC (Options Clearing Corporation)
EUREX	SEHK (Stock Exchange of Hong Kong Limited)
HKEx (Hong Kong Stock & Futures Exchange)	SGX (Singapore Derivatives Exchange)
ICE Futures Europe	TAIFEX (Taiwan Futures Exchange)
ICE Futures Canada	TASE (Tel Aviv Stock Exchange)
ICE Futures US	TFEX (Thailand Futures Exchange)
IDEM (Borsa Italiana)	TFX (Tokyo Financial Exchange)
JSE (Johannesburg Stock Exchange)	TOCOM (Tokyo Commodities Exchange)
KRX (Korea Exchange)	TURKDEX (Turkish Derivatives Exchange)
LME (London Metal Exchange)	WSE (Warsaw Stock Exchange)
LSEDM	

Annex 3 to Schedule 2 - Exchange Traded Funds

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to Exchange-Traded Funds (“ETFs”). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

CS owes a duty of best execution when executing Client Orders on your behalf. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction; and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you; or where we execute an order as riskless principal on your behalf. Examples of these would include market orders and limit orders.

ETFs can be traded on a “riskless principal” or on an “at risk” basis. When an ETF is traded as a riskless principal it means the price CS receives from the execution venue is the price the client receives, plus commissions and fees. In these cases, best execution will apply. When an ETF is traded “at risk” it means that a price is agreed between CS and you as a client before the trade is executed, either in absolute or relative terms and the trade is undertaken on a principal basis.

Best execution obligations are unlikely to apply where you have asked CS for a quote (“RFQ”), as we generally take the view that in the context of the European Commission’s four considerations (Appendix to CESR/07-320 Best Execution under MiFID) there is no legitimate reliance being placed on us to meet the relevant best execution requirements. Furthermore, where you provide us with a Specific Instruction, such as the time an order should be placed or specifying the use of an algo, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

3. Prioritisation of Execution Factors

When executing those transactions where best execution applies, CS will take the following execution factors into account:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size; and
- nature or any other consideration relevant to the execution of a transaction.

Whilst we have provided these in order of relative priority in the sections below a range of criteria will be taken into account in assessing the prioritisation of execution factors, including appropriate consideration on a transaction by transaction basis. Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the transaction is received, and the size of the trade. Generally, the most important execution factor for our clients will be the price the relevant financial instrument is executed at. However, as set out below, in more illiquid markets, the primary execution factors may vary, such as likelihood of execution becoming more significant.

As a general indication, the execution factors are likely to be considered as follows, although these will be assessed on a case by case basis and subject to any Specific Instructions:

- For ETFs in liquid markets, we prioritise execution factors as follows:
 - 1. Price
 - 2. Size
 - 3. Speed
 - 4. Costs
 - 5. Likelihood of Execution
 - 6. Other Considerations

- For ETFs in illiquid markets, for both quote driven and order driven activity, we prioritise execution factors as follows:
 - 1. Likelihood of Execution
 - 2. Price
 - 3. Costs
 - 4. Size
 - 5. Speed

- For other scenarios we prioritise execution factors as follows:
 - 1. Other Considerations
 - 2. Size
 - 3. Speed
 - 4. Price
 - 5. Likelihood of Execution
 - 6. Costs

4. Order/Quote Handling

Client Orders may be placed with CS in various ways. Orders placed manually (phone orders or instant messaging) or electronically (e.g. Bloomberg RFQ) will be dealt with via the trading desk who will consider the above factors in handling your order in addition to any Specific Instructions provided.

When filling a “riskless principal” order in a specific listing of an ETF, then as part of CS’s obligation of best execution, CS will potentially trade

- i) On-exchange, in that specific listing of that ETF
- ii) On-exchange, in an alternative listing of that same ETF
- iii) Off-exchange (OTC), in that specific listing of that ETF
- iv) Off-exchange (OTC), in an alternative listing of that same ETF
- v) In other ETFs, in futures, or baskets of stocks if such is deemed to be the most appropriate option
- vi) In the primary market (i.e. trading with the ETF issuers)

Client orders received via Electronic Trading Services (as defined in Appendix IV – Electronic Trading Services of CS’s Terms and Conditions) are covered by the best execution requirements detailed in the Cash Equities asset class specific policy set out at Annex 1 to Schedule 2 of the CS Client Order Execution Policy.

5. Execution Venues

The summary of the Execution Venues that are used by CS, either as a member, via an affiliate or through other third party brokers for transacting ETFs are listed below. These Execution Venues will be reviewed at least annually.

Aquis	London Metal Exchange
Athens Stock Exchange	London Stock Exchange
Australian Associated Stock Exchanges	MAB
Baltic Exchange	MEFF
BATS	Mexico Stock Exchange
Bavarian Stock Exchange	MICEX – RTS
Berlin Stock Exchange	Milan Stock Exchange – (IDEM, MTA, NCM)
BlockMatch (Instinet)	MOEX
Bloomberg MTF	NASDAQ Dubai
BLOX	NASDAQ OMX (Helsinki, Stockholm, Copenhagen)
Bolsa de Valores, Mercadorias e Futuros	New York Stock Exchange
Bolsa de Madrid	New Zealand Stock Exchange
Borsa Istanbul	Nomura NX
Borsa Italiana S.p.A.	NYSE Arca
Burgundy	NYSE Smartpool
CHI-X	Oslo Bors
CME - Chicago Mercantile Exchange	Santiago Stock Exchange
Equiduct	SCOACH
Eurex	SGX - Singapore Stock Exchange
Euroclear Bank	SIX Swiss Exchange
Euronext (Amsterdam, Brussels, Paris, Lisbon)	Société de la Bourse de Luxembourg
Frankfurt Stock Exchange	Stuttgart Stock Exchange
Hong Kong Stock Exchange	Taiwan Stock Exchange
ICE Clear Europe	Tallinn Stock Exchange
ICE Futures Europe	Tokyo Stock Exchange
ISE - Irish Stock Exchange	Toronto Stock Exchange
Istanbul Stock Exchange	Trade Web Europe MTF
Johannesburg Stock Exchange	Turquoise
Korea Exchange	Warsaw Stock Exchange
LIFFE	Wiener Boerse AG - Vienna Stock Exchange
Liquidnet	Xetra

Annex 4 to Schedule 2 - Equity Derivatives

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to equity derivative products, which include: equity OTC options (both complex and vanilla) and structured notes (collectively referred to as "Equity Derivatives"). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

CS owes a duty of best execution when executing Client Orders on your behalf. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you or where we execute an order as agent or riskless principal on your behalf. An example of this activity is a resting order, where the client may specify the price, size or other conditions of the transaction they are looking to execute. In such circumstances CS will take all sufficient steps to provide best execution. Other examples of a client placing legitimate reliance on CS could include the unwind of derivative transactions where the client may find it difficult to see alternative pricing from other parties.

For Equity Derivatives products, CS primarily trades in a principal capacity providing responses to client's requests for quotes ("RFQ") and therefore we act as a liquidity provider. As CS operates in a competitive market for the execution of clients RFQ's in Equity Derivatives, the expectation is that clients have access to multiple dealers and pricing sources and hence are in competition. Best execution obligations are unlikely to apply where you have asked us for a quote (RFQ), as we generally take the view that in the context of the European Commission's four considerations (Appendix to CESR/07-320 Best Execution under MiFID) there is no legitimate reliance being placed on us to meet the relevant best execution requirements, however we endeavour to provide competitive pricing.

Furthermore, where you provide us with a Specific Instruction, such as the time an order should be placed, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

Where you request us to execute the hedge for a transaction relating to any Equity Derivative and the price of the transaction depends on the hedge level, the Cash Equities asset class specific policy set out at Annex 1 to Schedule 2 of the CS Client Order Execution Policy or the Exchange-Traded Derivatives asset class specific policy set out at Annex 2 to Schedule 2 of the CS Client Order Execution Policy will apply as relevant.

3. Prioritisation of Execution Factors

When executing those transactions where best execution applies, CS will take the following execution factors into account:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size; and
- nature or any other consideration relevant to the execution of a transaction.

Whilst we have provided these in order of relative priority in the sections below, a variety of criteria will be taken into account in assessing the prioritisation of execution factors, including appropriate consideration on a transaction by transaction basis. Criteria for consideration include the characteristics of each transaction such as client preferences, market conditions, when the transaction is received and the size of the trade.

Generally, an important execution factor for our clients will be the price the relevant financial instrument is executed at. As part of the price finding process for Equity Derivative transactions, we will also take into consideration a number of other execution factors such as liquidity of the underlying, maturity of the transaction, counterparty credit risk and platform/technology dependencies.

However, as set out below, depending on the complexity of the product, client engagement in creating the product/transaction and bespoke nature of the transaction, the primary execution factors may vary, with likelihood and speed of execution potentially being a more important factor than price.

- For vanilla equity OTC options, CS prioritises execution factors as follows:
 - 1. Price
 - 2. Size
 - 3. Costs
 - 4. Speed
 - 5. Likelihood of Execution
 - 6. Other Considerations

- For complex equity OTC options, CS prioritises execution factors as follows:
 - 1. Likelihood of Execution
 - 2. Price
 - 3. Size
 - 4. Speed
 - 5. Costs
 - 6. Other Considerations

When executing trade unwinds in complex equity OTC options the execution factors are changed with speed becoming more significant, in addition to likelihood of execution, which remains most important.

- For structured note transactions, CS prioritises execution factors as follows:
 - 1. Likelihood of Execution
 - 2. Costs
 - 3. Speed
 - 4. Size
 - 5. Price
 - 6. Other Considerations

When executing trade unwinds in structured note transactions the execution factors are changed with price becoming the most significant, followed by likelihood of execution and speed.

In all cases, pricing of transactions will usually incorporate consideration of the execution factors size and cost, as well as other factors such as liquidity of underlying, maturity, market conditions, platform/technology requirements.

4. Order/Quote Handling

Equity Derivative transactions will be executed by CS on a principal basis providing a risk price by:

- facilitating requests for quote (RFQ) from clients and responding to reverse inquiries; or
- facilitating requests for proposal ("RFP") from clients.

The market for vanilla and complex equity OTC options, convertible bonds, financing transactions and structured notes are in most instances well established and competitive, whereby multiple market participants will stand ready to respond to clients' RFQ/reverse inquiry or RFP. Such processes are carried out via direct requests through meetings, voice, email or electronic messaging.

In relation to RFQs or reverse inquiries (e.g. the client approaches CS to provide banking services), where we provide quotes or negotiate a price with you on request, we will not generally presume to be receiving a Client Order where best execution will apply.

When transacting on a RFP basis, clients will usually, after an initial broad contest, choose a small number of providers to discuss the transaction in detail. This process will eventually lead to a (potentially exclusive) quote based on the parameters requested by the client. The time between the initial client contact and the quote varies from a few days to a very protracted period. As with RFQ/reverse inquiries, if CS provides quotes or negotiates a price with you based on your requirements, we will not generally presume to receive a Client Order where best execution will apply.

In both of the above circumstances, we will make a determination of the transaction at the time of quoting whether you are legitimately reliant on us. This will be based on the four-fold considerations outlined in the CS Client Order Execution Policy, meaning:

- Where we deem you to request or take a price in a competitive market, and where you are not placing legitimate reliance on CS, best execution will not apply. We expect this to be the case in the majority of circumstances.
- Where you legitimately rely on us to get you the best possible outcome, we will provide best execution. We expect this to be the case only in exceptional circumstances.

CS do not charge a commission but we do impose a mark-up/down or spread on where we execute trades in the market and where we execute them with clients (there is no agreed consistent mark up and reasonableness is based on a number of factors such as time of day, market conditions, order size, maturity of the transaction, counterparty credit risk). In this regard, we have policies and procedures on reasonableness and supervision. For further information in relation to mark ups please see section 10 of the CS Client Order Execution Policy.

Orders may be placed with CS manually (phone orders, email or instant messaging) and will be dealt with by the trading desk who will determine the strategy on handling your order, based on the prioritisation of execution factors above and taking into account any particular criteria or instructions provided.

Typically executions in convertible bond markets are undertaken via two main approaches, through a RFQ or via a Resting Order. In a resting order in the over-the-counter markets, you give us an instruction to buy or sell on your behalf a specified size in a specified convertible bond with the aim of achieving the best possible outcome within the available appetite or supply in the market. We will attempt to fill your Resting Order on an over-the-counter basis.

The following orders are typical examples of resting orders:

- an instruction to buy a bond at or below a given target price, within an agreed time frame; or
- an instruction to sell a bond at or above a given target price, within an agreed time frame.

When seeking to execute your resting order CS will seek to fill your transaction as soon as possible, at the target price or a better price, whilst applying a mark-up or spread as compensation for our work and (residual) risks. This mark-up or spread will be within a range of what we consider reasonable for the product type, tenor and size of the trade.

5. Execution Venues

As we trade Equity Derivatives on a principal basis, the Execution Venue will usually be CS and its affiliates. CS will look to hedge its risks through a variety of trading venues. A list of potential execution venues is detailed below, these will be reviewed at least annually.

Hedging Venues
TP ICAP WCLK MTF
EuroTLX
GFI Brokers Ltd
GFI Securities Ltd
Volbroker
Equiduct
MarketAxess
OMX (Sweden, Helsinki, Copenhagen)
NDX
SeDEX

Annex 5 to Schedule 2 - Rates

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to rates instruments, which include: government bonds, interest rate (including cross currency) and inflation swaps, interest rate and inflation options and structured notes (collectively referred to as “Interest Rate Products” or “Rates”). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

CS owes a duty of best execution when executing Client Orders on your behalf. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction; and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you; or where we execute an order as agent or riskless principal on your behalf. An example of this activity is a Resting Order, where a client may specify the price, size or other conditions of the order. In such circumstances CS will take all sufficient steps to provide best execution. Other examples of a client placing legitimate reliance on CS could include the unwind of structured derivative transactions where the client may find it difficult to see alternative pricing from other parties.

CS services client demand by trading Interest Rate products on a principal basis. We operate in a competitive Rates market with the expectation that clients have access to multiple dealers and pricing sources so that the majority of trades that are RFQ are in competition, and in these cases we endeavour to provide competitive pricing regardless of whether best execution is owed.

Best execution obligations are unlikely to apply where you have asked us for a quote (“RFQ”), as we generally take the view that in the context of the European Commission’s four considerations (Appendix to CESR/07-320 Best Execution under MiFID) there is no legitimate reliance being placed on us to meet the relevant best execution requirements. Furthermore, where you provide us with a Specific Instruction, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

3. Prioritisation of Execution Factors

When executing transactions where best execution applies, CS will take the following execution factors into account:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size; and
- nature or any other consideration relevant to the execution of a transaction.

Whilst we have provided these in order of relative priority in the sections below, a variety of criteria will be taken into account in assessing the prioritisation of execution factors, including appropriate consideration on a transaction by transaction basis. Criteria for consideration include the characteristics of each transaction such as client preferences, market conditions, when the transaction is received and the size of the trade. Generally, the most important execution factor for our clients will be the price the relevant financial instrument is executed at. However, as set out below, in more illiquid markets, the primary execution factors may vary, as such, likelihood of execution may become the primary execution factor.

- For Interest Rate Products in liquid markets, we prioritise execution factors as follows:
 - 1. Price
 - 2. Size
 - 3. Speed
 - 4. Likelihood of Execution
 - 5. Costs
 - 6. Other Considerations

- For Interest Rate Products in illiquid markets, we prioritise execution factors as follows:
 - 1. Size
 - 2. Price
 - 3. Likelihood of Execution
 - 4. Speed
 - 5. Costs
 - 6. Other Considerations

4. Order/Quote Handling

CS acts as principal when trading in Interest Rate Products and provides quotes on a risk basis. In relation to RFOs where we provide quotes or negotiate a price with you we will not generally presume to be receiving a Client Order where best execution will apply.

Orders placed with CS will be dealt with via the trading desk who will determine the strategy on handling your order, based on the prioritisation of execution factors above and taking into account any particular criteria or instructions provided.

Where a client provides a resting order CS will fill your transaction as soon as possible, at the target price or a better price. We continually monitor resting orders and once the agreed price has been reached, we will provide best execution either through executing in the market, taking on the risk on the trading book or through a combination of both. In addition we will apply a mark-up as compensation for our work and any residual risks. This mark-up will be within a range of what we consider reasonable for the product type, tenor and size of the trade. For further information in relation to mark ups please see section 10 of the CS Client Order Execution Policy.

5. Execution Venues

As we always trade Interest Rate Products on a principal or riskless principal basis, the Execution Venue will usually be CS or our affiliates. The list of the other Execution Venues that we use frequently to hedge our own market risk, or that we may use to fill a resting order that you have left with us, is provided below. These Execution Venues will be reviewed at least annually.

Hedging Venues
BGC
Bloomberg BMTF
DealerWeb
Eurex
GFI Brokers Ltd
GFI Securities Ltd
iCap
ICE
iSwap MTF
MTS

OTC Voice
TP ICAP WCLK MTF
Tradeweb MTF
Trad X
Tullett Prebon TPEL
Tullett Prebon PTSL

Client venues used to access Credit Suisse
SecNet
Tradeweb

Annex 6 to Schedule 2 - Credit

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to credit instruments, which include: bonds, repurchase agreements, credit derivatives and loans (collectively referred to as "Credit Securities"). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

CS owes a duty of best execution when executing Client Orders on your behalf. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency-like obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction; and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you; or where we execute an order usually on a riskless principal basis on your behalf. An example of this activity is a Resting Order where the client may specify the price, size or other conditions of the transaction they are looking to execute. In such circumstances CS will take all sufficient steps to provide best execution. Other examples of a client placing legitimate reliance on CS could include the unwind of derivative transactions where the client may find it difficult to see alternative pricing from other parties.

Best execution obligations are unlikely to apply where you have asked us for a quote ("RFQ"), as we generally take the view that in the context of the European Commission's four considerations (Appendix to CESR/07-320 Best Execution under MiFID) there is no legitimate reliance being placed on us to meet the relevant best execution requirements. Furthermore, where you provide us with a Specific Instruction, such as the time an order should be placed or specifying the use of an algo, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

Where a Bid Wanted In Competition ("BWIC") process is undertaken and CS is one of many recipients of the list of securities and/or loans, we do not believe that legitimate reliance is placed on CS with the selling investor executing at the highest bid received. In such circumstances best execution will not apply.

3. Prioritisation of Execution Factors

When executing transactions where best execution applies, CS will take the following execution factors into account:

- price;
- costs;
- speed;
- likelihood of execution and settlement;
- size; and
- nature or any other consideration relevant to the execution of a transaction.

Whilst we have provided these in order of relative priority in the sections below, a variety of criteria will be taken into account in assessing the prioritisation of execution factors, including appropriate consideration on a transaction by transaction basis. Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the transaction is received and the size of the trade. Generally, the most important execution factor for our clients will be the price the relevant financial instrument is executed at. However, as set out below, in more illiquid markets, the primary execution factors may vary, as such, likelihood of execution may become the primary execution factor.

Where legitimate reliance is placed on CS when submitting a RFQ, we would prioritise execution factors as follows.

- For a RFQ in a liquid instrument:
 - Price
 - Speed
 - Size
 - Likelihood of Execution
 - Costs
 - Other considerations

- For a RFQ in an illiquid instrument:
 - 1. Likelihood of Execution
 - 2. Price
 - 3. Size
 - 4. Speed
 - 5. Costs
 - 6. Other considerations

For BWIC transactions a bond bid list is sent to multiple market participants from the investor. The market participants will make bids on the securities provided in the list. Once the bids are submitted, the investor contacts the market participants who priced the highest bids. In such circumstances, we do not believe that best execution is owed.

4. Order/Quote Handling

Orders may be placed with CS through a variety of means. Orders placed through manual (phone orders or instant messaging) or electronic means (e.g. FIX protocol) will be dealt with via the trading desk who will determine the strategy on handling your order, based on the prioritisation of execution factors above and taking into account any particular criteria or instructions provided.

Typically executions in Credit Securities are undertaken via three main approaches, via a resting order, through a RFQ or in a BWIC scenario. In a resting order in the over-the-counter markets, you give us an instruction to buy or sell on your behalf a specified size in a specified bond, repo, credit derivative, securitized products or loan, with the aim of achieving the best possible outcome within the available appetite or supply in the market. We will attempt to fill your resting order on an over-the-counter basis or through a variety of Execution Venues, including CS and its affiliates. However, whilst in receipt of a resting order, we maintain the right to make two-way markets as a liquidity provider.

The following orders are typical examples of resting orders:

- an instruction to buy a bond at or below a given target price, within an agreed time frame; or
- an instruction to sell a bond at or above a given target price, within an agreed time frame.

When seeking to execute your resting order CS will seek to fill your transaction as soon as possible, at the target price or a better price, whilst applying a mark-up or spread as compensation for our work and (residual) risks. This mark-up or spread will be within a range of what we consider reasonable for factors such as: the product type, tenor and size of the trade and market conditions. For further information in relation to mark ups please see section 10 of the CS Client Order Execution Policy.

Most trading in the market for Credit Securities instruments happens through RFQ. When you request us to give you a quote, we will look at the European Commission's four considerations (Appendix to CESR/07-320 Best Execution under MiFID) outlined in the CS Client Order Execution Policy to determine whether or not you are

placing a legitimate reliance upon us and will apply best execution only if it is determined that you are placing a legitimate reliance upon us.

5. Execution Venues

As we trade Credit Securities on a principal basis often, the Execution Venue will usually be CS or our affiliates. The list of the other Execution Venues that we use frequently to hedge our own market risk, or as a riskless principal, that we may use to fill a resting order that you have left with us is provided below. These Execution Venues will be reviewed at least annually.

Hedging Venues
Bloomberg BMTF
Tradition
GFI Brokers Ltd
GFI Securities Ltd
Tullett Prebon TPEL
Tullett Prebon PTSL
TP ICAP WCLK
Tradeweb MTF
MarketAxess
Thomson Reuters
Creditex Brokerage
EuroTLX
Borsa Italiana
Boerse Stuttgart
HDAT
Euronext
Eurex Repo
Nex Markets Brokertec
Forte Securities
Bondlend

Annex 7 to Schedule 2 - FX

1. Introduction

This asset class specific policy provides further details with regards to the application of best execution in relation to FX instruments, which include: FX spot, FX forwards, FX swaps and FX options (collectively referred to as “FX transactions”). This policy is an appendix to the overarching CS Client Order Execution Policy and should be read in conjunction with that document.

2. Application of Best Execution for In-Scope Products

FX transactions are executed across three trading mediums:

- As principal via CS’s voice trading facilities (“Voice Trading”);
- As principal through various proprietary, interdealer or other electronic FX platforms (“eFX”); and
- As “riskless principal” through its Advanced Execution Services for FX (“AES FX”) platform.

CS will largely trade as principal when executing transactions in FX but some transactions could be executed on a riskless principal basis and this will always be the case for executions through AES FX.

Best execution obligations are unlikely to apply where you have asked us for a quote (“RFQ”), as we generally take the view that in the context of the European Commission’s four considerations (Appendix to CESR/07-320 Best Execution under MiFID) there is no legitimate reliance being placed on us to meet the relevant best execution requirements.

Furthermore, where you provide us with a Specific Instruction, such as the time an order should be placed or specifying the use of an algo, to the extent that we follow such instructions, we have satisfied any best execution requirements with respect to that aspect of the order.

CS owes a duty of best execution when executing Client Orders on your behalf. Such orders could be received through all three trading mediums referenced above but will always arise when executing through AES FX. We consider ourselves to be in receipt of an order where an execution instruction is given to us that gives rise to contractual or agency-like obligations to you. Specifically, this will be the case where you commit to a trade that is not immediately executable, leaving discretion with us as to the manner of execution and exact terms of the resulting transaction; and the execution can be booked to your account, without the need to re-confirm the price, size or any other factor(s) with you. Examples of the type of orders that CS may execute are set out in section 4.

Other examples of a client placing legitimate reliance on CS could include the unwind of derivative transactions where the client may find it difficult to seek alternative pricing from other parties or novate the transaction to another party.

CS’s receipt of an order via the AES FX platform or through other trading mediums does not, however, commit us to executing all or part of the order received. This is dependent on the specific order parameters instructed and the prevailing market conditions.

The manner in which FX transactions are priced, handled or executed differs according to the platform on which trading is conducted, as further described in this disclosure.

3. Prioritisation of Execution Factors

When executing transactions where best execution applies, CS will take the following execution factors into account:

- price;

- costs;
- speed;
- likelihood of execution and settlement;
- size; and
- nature or any other consideration relevant to the execution of a transaction.

Examples of nature or any other consideration relevant to the execution of a transaction may include the following:

- skew (i.e. prices modified for risk management purposes in order to encourage trades that lead to an overall risk reduction of our current FX trade portfolio);
- exceeded last look tolerance (i.e. a counterparty trade request will be held by us for a period of time and will not be executed if the associated price falls outside a pre-determined range at the expiry of this holding period (which is known as “Last Look”));
- trade frequency exceeded (i.e. submitted trade requests will be rejected if more than a pre-defined number of trades in the same currency or currency pair are executed within a pre-defined period of time); and
- lack of credit (i.e. submitted trade requests will be rejected if the counterparty exceeds their allocated credit line).

Whilst we have provided these in order of relative priority in the sections below, a variety of criteria will be taken into account in assessing the prioritisation of execution factors, including appropriate consideration on a transaction by transaction basis. Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the transaction is received, any accompanying instructions and the size of the trade. Outside of any Specific Instruction provided by the client, the most important execution factor for our clients will be the price the relevant financial instrument is executed at.

However, as set out below, in more illiquid markets, the primary execution factors may vary, such that, for example, likelihood of execution may become the primary execution factor.

In the event that legitimate reliance applies to CS, where a client has submitted a RFQ we would prioritise the execution factors as follows:

- For FX spot voice trades in liquid markets, for both quote driven and order driven activity:
 - 1. Price
 - 2. Speed
 - 3. Size
 - 4. Costs
 - 5. Likelihood of Execution
 - 6. Other Considerations
- For FX spot voice trades in illiquid markets, for both quote driven and order driven activity:
 - 1. Size
 - 2. Price
 - 3. Likelihood of Execution
 - 4. Speed
 - 5. Costs
 - 6. Other Considerations
- For FX forward and FX Swap voice trades in liquid markets, for both quote driven and order driven activity:
 - 1. Price
 - 2. Speed

- 3. Size
 - 4. Costs
 - 5. Likelihood of Execution
 - 6. Other Considerations
-
- For FX forward and FX swap voice trades in illiquid markets, for both quote driven and order driven activity:
 - 1. Size
 - 2. Cost
 - 3. Likelihood of Execution
 - 4. Price
 - 5. Speed
 - 6. Other Considerations

Other factors may be prioritized over price in illiquid markets because the size of the order could impact the market and costs could be higher.

Orders routed directly to AES FX contain electronic instructions to utilise a host of custom tactics that wrap-up to a number of headline algorithmic strategies. Each algorithm utilises specific logic to split and execute orders according to the selected algorithm. Combined with the details of each order, the prioritisation of execution factors will vary on a per order basis. Unless explicitly instructed otherwise in a Specific Instruction, the AES FX business benefits from smart order routing logic. The Smart Order Router (“SOR”) has a single order routing profile within which clients may choose to customise certain features. Combined with the details of each order component being executed, the prioritisation of execution factors will vary on a per order basis. The SOR has several order routing components. Further information on the offering of AES FX algorithms and the SOR is available through your AES FX representative.

- As above, in the context of AES FX there may be scenarios where the relative priority of execution factors will vary. For example, when client orders are posting liquidity, likelihood of execution may become a more important factor. Subject to any Specific Instruction, the following provides an example of the execution factor prioritisation that may be applied when a client uses the AES FX electronic trading platform:
 - 1. Price
 - 2. Likelihood of Execution
 - 3. Speed
 - 4. Size
 - 5. Other Considerations (for example, venue restrictions)
 - 6. Cost

- When a client uses the eFX electronic trading platform, both in liquid and illiquid markets, CS prioritises execution factors as follows:
 - 1. Price
 - 2. Likelihood of Execution
 - 3. Cost
 - 4. Speed
 - 5. Size
 - 6. Other Considerations (for example, venue restrictions)

- For FX option trades in liquid markets, for both quote driven and order driven activity, CS prioritises execution factors as follows:
 - 1. Price
 - 2. Size

- 3. Speed
 - 4. Likelihood of Execution
 - 5. Costs
 - 6. Other Considerations
- For FX option trades in illiquid markets, for both quote driven and order driven activity, CS prioritises execution factors as follows:
- 1. Size
 - 2. Price
 - 3. Speed
 - 4. Likelihood of Execution
 - 5. Costs
 - 6. Other Considerations

4. Order/ Quote Handling

4.1 FX Spot, FX Forwards and FX Swaps

For FX spot, FX forwards and FX swaps, CS is able to fulfil client demand by trading on either a principal basis through electronic and voice channels or on a riskless basis through AES FX. The product offering covers both developed market and emerging market currencies and clients can either execute real-time with us through RFQ, trading on eFX or by leaving orders.

If CS provides quotes or negotiates a price on request (i.e. dealing on a RFQ or Request for Stream (“RFS”) basis) it will not generally be presumed to be receiving a “client order” as part of a service where best execution will apply. However, we will apply the European Commission’s four considerations (Appendix to CESR/07-320 Best Execution under MiFID) to determine whether legitimate reliance has been placed on us in order to ascertain if best execution applies.

“At best orders” are orders from the client to buy or sell a volume of a currency pair with the aim of achieving the best possible outcome based on prescribed client instructions and available liquidity. Examples include:

- executing the order at the best price possible for the specified volume and currency pair as soon as practicable given current market conditions;
- executing the order at the best price possible for the specified volume and currency pair over a prescribed period of time based on relevant client instructions; and
- executing the order at the best price possible for the specified volume up/down to a prescribed price level. Once this level is reached the execution process is halted until price action allows execution to resume within the given instructions.

We will endeavour to work these orders by sourcing liquidity through available sources and in accordance with client instructions.

Resting orders are orders from the client to buy or sell a volume of a currency pair at a specified limit price. There are two main variants of Resting Order:

- Stop Loss – is an order which triggers a buy or sell for a specified notional amount when an agreed reference price has reached or passed a pre-defined trigger level.
- Take Profit – an instruction to sell above or buy below the current market price if the pre-defined price is reached during order duration. This type of order locks in a profit on a position and is only carried out at the pre-defined level.

CS continually monitors its Resting Order book and once the agreed limit price has been reached, we will provide best execution either through executing in the market, taking on the risk on the trading book or through a combination of both.

An “FX Fixing Order” is an order to buy or sell a specified notional amount at an agreed FX Benchmark/Fix requested by a client. CS executes FX Fixing Orders through the “Credit Suisse FX Benchmark Services” platform which is segregated from our FX Principal Trading desks (for more information on this service please contact your CS Marketer).

4.2 FX Options

For FX options, CS is able to fulfil client demand by trading on a principal basis through electronic and voice channels. The product offering covers both developed market and emerging market currencies. Clients may achieve execution either by leaving an order with CS or requesting a price on a quote basis (RFQ).

Spot orders – Spot orders are orders to buy or sell an FX option when the underlying FX spot rate reaches a specified level. CS will provide best execution for spot firm orders by executing a limit order in the FX spot market at the level given by the client. As soon as this order is executed the clients option contract will be dealt taking into account prevailing interest rates, implied volatilities, and other parameters to determine the premium the client will pay or receive.

Premium orders – Premium orders are orders to buy or sell an FX option at a specified premium as other market variables (spot rate, interest rate, implied volatility) allow that price to be achieved. CS will provide best execution by executing a limit order in the FX spot market. The level at which this spot order is placed will vary as the other market variables move. CS will take reasonable steps to place the FX spot limit order so that the client’s option order is filled.

4.3 Pricing of FX Transactions

When CS executes FX transactions via Voice Trading or eFX, the price offered by us is an “all-in” price. This means that the price takes into account, among other things, the currency, size of the order and market conditions (such as liquidity and volatility). Such price may also include a discretionary margin applied by us to cover relevant business costs, such as its cost of capital, credit costs, Execution Venue and settlement fees. Apart from these elements, we may also modify its prices for risk management purposes to encourage trades that result in a reduction of risk in our trade portfolio.

Further information on CS’s eFX pricing can be found in the “Credit Suisse Electronic FX Pricing and Execution Management Disclosure”¹ and in section 9 of the CS Client Order Execution Policy.

When CS executes FX transactions via AES FX, the price offered by us is comprised of (i) the gross average price achieved by the AES FX algorithm in the market for the quantity executed, and (ii) a commission fee.

5. Execution Venues

A summary of the key Execution Venues that CS uses for each relevant scenario is provided below. These Execution Venues will be reviewed at least annually. As we largely trade FX on a principal basis, the Execution Venue will usually be CS and its affiliates. The “Execution Venues” cover two distinct definitions:

1. Where we trade in a principal capacity and route transactions to a venue to hedge our principal exposure

¹ Clients are advised to contact the respective Credit Suisse GFX Sales desk if they require a copy of the eFX disclosure.

2. Where clients access our liquidity electronically via Execution Venues

Where we trade in a riskless principal capacity through AES FX and client orders are routed through to external venues to fill that order, AES FX will access liquidity from a variety of external venues (Inter-Bank market e.g. Reuters/EBS; major electronic communication networks; exchanges and other venues).

Hedging venues
EBS Markets
Reuters Matching
BGC
Tradition
GFI
Tullet Prebon
ILS Brokers
Global Box
Sunrise
ICAP
OM Fin
Nittan

Client venues
Bloomberg
360T
FX Connect
FXall
EBS Direct
Currenex
CME GFX
Hotspot
Flextrade
Trading screen
First Derivatives
Integral FX Inside
Portware
FX Spotstream
PrimeTrade
Merlin
Aphelion
Ezxinc
SmartTrade
Tradair
TraderTools
Inforeach
Tradepoint
GFI-Fenics
Digital Vega
AVA (FXBridge)