

Best Execution
Retail Client Orders
Summary Disclosure Statement
HSBC Continental Europe
Global Markets

Dated november 2020

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Retail Client Orders

INTRODUCTION

HSBC and Markets

HSBC Bank plc (**HSBC**) is a member of the HSBC Group, the ultimate holding company of which is HSBC Holdings plc. Global Banking and Markets (**GBM**) is a business line of the HSBC Group and provides financial solutions to government, corporate and institutional clients worldwide. **Global Markets** is the financial markets sales and trading division within GBM.

Retail Terms

HSBC may enter into retail terms of business (**Retail Terms**), relating to Global Markets activities, with those of its clients (**retail clients**) that are neither professional clients nor eligible counterparties. Under its Retail Terms, Global Markets may deal directly with these retail clients in respect of a limited range of Global Markets products.

Purpose

HSBC has a policy and related arrangements (**Best Execution Policy**) on best execution in respect of our Global Markets activities. This Summary Disclosure Statement (**RCO Summary**) provides summary information on our Best Execution Policy, with a focus on the total costs that the retail client may incur in connection with execution. If you have any questions about this RCO Summary or our Best Execution Policy, please contact your HSBC representative.

Client Disclosure Statement

A fuller description of our Best Execution Policy is set out in our Client Disclosure Statement (**Statement**), which is available on <http://www.business.hsbc.fr/mifid-en>. This RCO Summary uses certain terms that are defined in the Statement.

Addressees

This RCO Summary is addressed to those clients of HSBC who deal directly with Global Markets and have entered into the Retail Terms referred to above. References below to **HSBC** and **we**, and to **clients** and **you**, should be understood accordingly.

BEST EXECUTION

Overarching principle

MiFID II requires us to take all sufficient steps to obtain the best possible result for our clients, taking into account the execution factors, on a consistent basis.

Application

HSBC is subject to best execution where:

- We execute orders for the purchase or sale of financial instruments on your behalf.
- We answer to a request for quote (RFQ) from a retail client.

Statement

Please refer to the Statement for a fuller description of this overarching principle and its scope of application.

Retail Terms

Please also refer to the Retail Terms for further information on best execution and order execution more broadly.

APPLICATION

Total consideration

We determine the best possible result in terms of the **total consideration**, represented by:

- **price**
- **costs**. Costs include all expenses incurred by you that are directly related to execution.

OTC TRANSACTIONS

In the normal course of business, HSBC acts as the client's **counterparty**. This means we enter into the OTC transaction with the client acting as principal and for our own account. In these circumstances, HSBC is the execution venue.

Where we transact with you OTC as principal then we do so at an **all-in price**. This all-in price is the relevant price for the purpose of determining total consideration.

We may take into account a number of factors in quoting an all-in price, including the following factors:

- the risk that HSBC assumes under the transaction
- infrastructure and operational costs
- counterparty, capital, and funding related costs
- fees and costs that arise during the execution and life of the transaction
- the level of service provided to the client
- any pre-agreed fee or spread charges
- other factors specific to the client

TRANSMISSION OF ORDERS

HSBC may transmit an order to a third party which is a member of the HSBC Group. We are required to act in accordance with the best interests of our clients when transmitting client orders to a third party for execution.

In this regard, we consider that reliance on connected parties in these circumstances is in the interest of clients because (amongst other things) certainty of execution is increased and communication is enhanced.

MONITORING

HSBC monitors the arrangements described in this document in order to detect potential deficiencies. In the case of OTC transactions, this includes monitoring the fairness of our pricing.

EXECUTION DATA QUALITY

We are required to provide a link to the most recent execution quality data published in accordance with Article 27(3) of the MiFID II directive for each execution venue listed by us in our Best Execution Policy. This is that link: <http://www.business.hsbc.fr/mifid-en>.

AMENDMENTS

HSBC may update this RCO Summary from time to time. The prevailing version of this RCO Summary is available on <http://www.business.hsbc.fr/mifid-en>.