

BEST EXECUTION POLICY

(Valid 26.02.2009 – 31.08.2011)

INTRODUCTION

This document of Best Execution Policy (the Policy) sets forth the rules to which SEB must adhere in the event of transaction orders (Order) related to financial instruments and executed or forwarded on behalf of its retail and professional clients. SEB shall take all reasonable steps in accordance with the Policy with a view to obtaining the best possible result for its clients. SEB asks to note that although the rules set forth in the Policy should ensure the best possible result for the clients of SEB, there is still no guarantee that the circumstances of a specific transaction allow for obtaining such result in respect of each individual transaction.

By issuing an Order to SEB, the Client agrees to the execution of the Order in accordance with the procedure provided for in the Policy.

If a client requests a price offer from SEB and consents to the price offer delivered by SEB or if the terms and conditions of a transaction are specifically agreed upon between SEB and the client, the transaction made on the basis thereof shall be deemed to be the best execution of an order for a retail client and the Policy does not apply to such transaction in the event of a professional client.

Orders may be executed in parts in accordance with the rules provided for in the Procedure.

SPECIFIC CLIENT INSTRUCTIONS

If a client gives a specific instruction to SEB about how its order or part of it should be executed, SEB shall perform the transaction on the basis of the client's instruction. SEB wishes to point out that if a client gives a specific instruction to SEB, this may hinder SEB from adopting measures and following rules that SEB has developed and implemented in the Policy for the achievement of the best possible result of the execution of the Orders.

RELATIVE IMPORTANCE OF DIFFERENT FACTORS OF EXECUTION

SEB shall take into account the following circumstances when executing or forwarding of orders:

- the price for which the order can potentially be executed and costs incurred by execution;
- the speed and likelihood of both the execution and settlement;
- the size and type of the order as well as its effect on the market; and
- any other circumstances which according to SEB are relevant with regard to the execution of the order.

Upon the execution of an Order, SEB also considers such factors as the client's classification and data characterising the client and its Order, properties of financial instruments with regard to which the Order was issued, data characterising such execution venues where the order may be directed and prevailing market conditions.

In the absence of specific conditions, SEB will aim at the execution of the transaction with the best possible result with regard to the total amount of money due by or to the client.

EXECUTION OF ORDERS OF REGULARLY TRADED FINANCIAL INSTRUMENTS IN EXTERNAL EXECUTION VENUES

This part of the Policy shall be applied to transactions with adequately liquid financial instruments which are traded on the stock exchange or any other regulated market. Such financial instruments include, for example, certain:

- equities;
- bonds or other interest-bearing or discounted debt obligations, incl. index-linked bonds;
- derivative instruments or agreements;
- exchange-traded fund units;
- other financial instruments traded in external execution venues.

SEB shall execute the client's orders for the aforementioned financial instruments as follows:

- As a rule, an order shall be sent for execution to the execution venue that according to SEB will deliver the best result for the client, taking account of the factors described in chapter 3.
- If an order is so voluminous that caution must be taken at its execution, in order to reduce the adverse effect of the order on the market, SEB shall execute the order at such time and in such separate parts, as it considers according to

its justified assessment probable that the best possible overall result for its client can be obtained in a situation that may evolve.

- If the circumstances allow and provided that according to SEB it will be beneficial for the client, SEB may decide to execute the order or part of it on account of its own funds or directly of another market participant's funds or the order of any other client of SEB. But SEB will do that only if it seems probable at the time of performance of the transaction that the result would be as good as if executed on a regulated market.
- If according to SEB it would be in the interests of the client in relation to a transaction whose volume is higher than the standard market volume, SEB may offer to the client the execution of the whole transaction on its account for such price which, although less favourable than the current price valid on the market for smaller quantities of the same security, would probably be more favourable than the current public market price for the volume equal to the Order. The terms and conditions related to such transactions will be agreed upon with the client when making the offer.
- If the client asks from SEB a price offer for a transaction where SEB is counterparty, SEB shall take all steps in order to ensure that the price offered by it is fair in every situation.
- Execution of orders of non-regularly traded financial instruments in external execution venues.

This section of the Policy shall be applied to transactions with those financial instruments that do not have adequate liquidity and are traded either on regulated market or in other market venues, such as standard financial instruments not traded on stock exchange, as well as financial instruments that have been created (either by SEB or any other intermediary) of one or many components, some of which may be listed or independently tradable, in order to obtain, for instance, a financial instrument with risk properties required in a specific case. Such financial instruments include, for example, certain:

- bonds and other interest-bearing or discounted debt obligations;
- OTC derivative instruments and agreements;
- financial instruments whose income is related to the return of a certain index or price;
- financial instruments based on or containing agreements on exchange rate or price differences;
- unlisted shares;
- fund units;
- other financial instruments not regularly traded on regulated market or in other market venues.

SEB shall execute the client's Order for such financial instrument as follows:

- SEB may execute the Order on its own account for reasonable price. Price calculations shall consider the current market price available for SEB or the level of the underlying assets, index or exchange rate contained in the structure of the financial instrument or other important market factors or events. In addition, price calculations shall take into account the costs and risks incurred by the calculation method of the financial instrument in question. These are costs that are related to the execution of the client's Order on the account of SEB, the credit risk, operational risk or risk position of the counterparty taken at the creation of the instrument and its being made available for the clients, as well as the reasonable profit of SEB in the light of the factors.
- In order to enable execution of an order with financial instruments with regard to which no easily available price quotations exist, SEB may execute the Order on the account of the funds of another market participant or the order of any of its clients.
- In the case of fund units, SEB shall execute its client's Order, forwarding it directly or via an intermediary to the management company (or any other similar person), who is responsible for the management of the fund.

LENDING OF SECURITIES AND PRIMARY MARKET TRANSACTIONS

SEB shall execute the lending transactions of securities on SEB's own account for a reasonable price and according to the terms and conditions specifically agreed upon with the client.

SEB shall execute the primary market transactions of financial instruments, forwarding the client's order to the issuer or the representative of the issuer, according to the client's instructions and the terms and conditions of the respective issue.

EXECUTION VENUES USED BY SEB

SEB is a participant in many regulated markets and in addition has access to many other execution venues which depending on each case are selected as being in accordance with SEB's requirement to execute the orders in correspondence with the best interests of clients.

SEB still wishes, however, to direct attention to the fact that SEB may also execute the clients' orders in execution venues that have not been specified in this list if it deems this relevant in the light of the events at the given moment and it is not likely that this would in summary entail a worse result for the client.

SUBMISSION AND FORWARD OF ORDERS TO THIRD PARTY INTERMEDIARIES

Upon the provision of portfolio management services and/or forwarding of its clients' orders, SEB shall regard the orders in a way suitable at that moment, taking account of the clients' best interests at the given moment and, if relevant, SEB may use a third party intermediary.

SEB shall assess thoroughly the third party intermediary whom it intends to use and with whom it wishes to establish relations. Upon selection of a third party intermediary to whom the orders will be submitted or forwarded for execution, SEB shall consider such factors as the price, costs, speed, probability of execution and settlement, as well as any other factors which may be relevant at the moment of submission and forward of an order.

EXECUTION OUTSIDE A REGULATED MARKET OR IN AN MTF

SEB may execute the client's Orders outside a regulated market or in a multilateral trading platform (MTF). This applies in particular to financial instruments not traded on stock exchange, but may be applied also in the case of exchange traded financial instruments, but in this case SEB must apply for the client's consent.

HANDLING OF CLIENT ORDER

SEB shall execute the orders of all clients in an accurate and fair manner and without delay and tries to execute equal orders in the order of their submission, unless this is not reasonable with regard to the order or current market conditions or if in contradiction with the client's best interests.

Provided that it is not harmful for the clients, SEB may combine its clients' orders with the orders of other clients or transactions which SEB executes in its name and on its account. Although the aim of combining orders is to achieve the best possible result for the clients, it may in certain cases be still harmful for a client with regard to a certain order. If SEB combines the client's orders with other orders, the combined transactions will be distributed fairly between the client and the other persons whose orders have been combined.

IMPACT OF TRADING INTERRUPTIONS, SYSTEM ERRORS, ETC.

In certain cases, e.g. upon interruption of trading, cancellation of transaction by the execution venue, system errors or any other reason, SEB has the right to decide that in the best interests of the clients it would be right to use other measures for the execution or forwarding of orders, which are different from those usually used with respect to the relevant instrument. In such cases SEB shall take all necessary measures to obtain the best possible result for its client in the respective situation.

Should the events mentioned above result in the interruption of trading, SEB shall take reasonable steps to contact with those clients whose orders have not been executed yet, in order to get additional instructions. If SEB fails to get additional instructions, it shall take all measures that are in the best interests of the client and in such case the result shall be binding upon the client.

If the market maker cancels or changes a transaction performed on the market, this shall also be applicable with regard to SEB and its clients in the case that SEB has earlier confirmed to the client that its transaction has been executed.

AMENDMENT AND REVISION OF THE POLICY

SEB may unilaterally amend the Policy. The Policy, execution venues, third party intermediaries and execution orders, as well as their results shall be reviewed in order to ensure the best possible result for the clients of SEB. It shall be made when necessary, but at least once a year. All amendments to the Policy shall be published on this website. Amendments and revisions shall enter into force on the day following their publication on the website.