

**Best Execution**  
**Retail Client Orders**  
Summary Disclosure Statement  
HSBC UK Bank plc –  
Global Markets

Dated 1 July 2018

PUBLIC

© Copyright. HSBC UK Bank plc 2018 ALL RIGHTS RESERVED.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of HSBC UK Bank plc.

HSBC UK Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom.

## Table of Contents

---

Retail Client Orders .....	2
Introduction .....	2
Best execution .....	2
Fee arrangements .....	3
Application .....	3
Execution Data Quality .....	4
Amendments .....	4

# Retail Client Orders

## INTRODUCTION

---

### HSBC and Markets

HSBC UK Bank Plc (HSBC UK) 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 (GM) is the financial markets sales and trading division within GBM. Global FX is an Asset Class in GM.

### Retail Terms

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

### Purpose

HSBC UK has a policy and related arrangements (**Best Execution Policy**) on best execution in respect of our GM 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 UK 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 [www.hsbcnet.com/bestexecution](http://www.hsbcnet.com/bestexecution). This RCO Summary uses certain terms that are defined in the Statement.

### Addressees

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

## BEST EXECUTION

---

### Overarching principle

Our Best Execution Policy requires us to provide those execution services that are subject to best execution in a manner that is consistent with the overarching principle. This is the **overarching principle**: we take all sufficient steps to obtain the best possible result for our clients, taking into account the execution factors, on a consistent basis.

### Application

Broadly, the overarching principle applies to us when we execute orders for the purchase or sale of financial instruments on your behalf.

## 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.

## FEE ARRANGEMENTS

---

### Fees

It is our policy to establish an appropriate methodology (whether at the transactional or relationship level) to ensure pricing transparency for clients. The application of the overarching principle does not require us to compare the commissions and costs (**fees**), which we charge you in connection with execution, with the fees charged by other firms. The latter fees may be structured differently or may relate to different services. If you have any questions about our fee arrangements, please contact your HSBC UK representative.

### Execution venues

Best execution is particularly important in the context of the decisions we make in selecting between competing execution venues when executing orders on your behalf of clients. This is referred to as **order routing**. We do not route orders by reference to our fees. However, our fees may be relevant to order routing in this context. Where there is more than one competing execution venue to which we may route your order:

- we assess and compare the results that would be achieved by executing your order on each of the competing execution venues
- we take into account our fees when doing this

## APPLICATION

---

### Total consideration

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

- price
- costs

### Price

When we execute an order on your behalf, **price** refers to the sale or purchase price (as the case may be) that we obtain for you.

### Costs

For the purpose of determining total consideration, **costs** are all expenses incurred by you that are directly related to execution, including (for example) fees paid to third parties involved in execution. These costs are 'external' and do not include our own fees.

### OTC

When we transact with you OTC then, in the normal course of business, we do so at an all-in price. This means that we do not charge you an explicit fee. This all-in price is the relevant price for the purpose of determining total consideration. However, if the all-in price includes a spread that is clearly

identified and agreed between us, then the all-in price net of that spread is the relevant price for the purpose of determining total consideration.

## **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: ***<https://www.hsbcnet.com/bestexecution>***

## **AMENDMENTS**

---

HSBC UK may update this RCO Summary from time to time. The prevailing version of this RCO Summary is available on [www.hsbcnet.com/bestexecution](https://www.hsbcnet.com/bestexecution).