CCB INTERNATIONAL SECURITIES LIMITED
("CCBIS")

BEST EXECUTION POLICY

April 2026

CCB International Securities Limited ("CCBIS") is a corporation licensed with the Securities & Futures Commission of Hong Kong (CE: AMB276), an Exchange Participant and China Connect Exchange Participant of The Stock Exchange of Hong Kong (Participant ID: 01813).

INTRODUCTION

This policy ("Policy") provides clients with information on the client order handling and best execution arrangements that CCBIS has in place.

CCBIS is required under Paragraph 3.2 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission to execute client orders on the best available terms. Further guidance is provided by the Securities and Futures Commission in the form of a circular on 30 January 2018. This Policy has taken into consideration the above-mentioned regulatory requirements as well as CCBIS's own business model and scale.

BEST EXECUTION

When executing transactions, the relevant dealers, sales traders and AMOs (collectively, "the Relevant Licensees") should take all reasonable steps to execute client orders on the best available terms for our clients taking into account price, costs, speed, likelihood of execution, settlement, size, nature, market impact and / or any other considerations relevant to the execution (collectively, "Execution Factors"). Best Execution does not mean that CCBIS can guarantee that the best price will be achieved for every single client order. However, CCBIS will look to ensure that we are acting to the extent that is possible, in the best interests of our clients.

This is essential for protecting clients' best interests and ensuring their fair treatment, and minimizing conflicts of interest. The Relevant Licensees should execute orders in accordance with this Policy upon acceptance of client orders.

THE EXECUTION FACTORS

The Relevant Licensees must use reasonable endeavors to act in accordance with this Policy and execute client orders in order of the priority of the execution factors as stated in this Policy.

As part of taking all reasonable steps to execute client orders on the best available terms when executing a client order, the Relevant Licensees should take into account the following factors, generally in the following order, when executing all instruments and products offered by CCBIS:

PRICE – the price at which a transaction is executed

COSTS – the costs of the transaction, including internal and external costs, and the possibility of additional costs should an order be executed in a particular way

LIKELIHOOD of EXECUTION and SETTLEMENT – the probability that the order can be fulfilled, which is more relevant and is expected to take higher priority for transacting illiquid instruments

SPEED – the length of time it takes to execute the order or complete the transaction / settlement

SIZE – the size of the order to be executed

NATURE – the type of order placed

OTHERS – any other considerations relevant to the execution of the order

WEIGHTING OF EXECUTION FACTORS

These characteristics below may affect the ways in which the execution factors are weighted or prioritized and it is up to the Relevant Licensees to determine the changes in weighting and priority for each particular case.

CLIENT CHARACTERISTICS – institutional clients likely have different needs to other professional investors or retail investors

ORDER CHARACTERISTICS – client's specific instruction or preference, possibility and extent of market impact, triggering and operating of in-house order and system controls, risk and compliance issues etc.

FINANCIAL INSTRUMENT CHARACTERISTICS – liquidity and recent performance or behavior of such instrument, price volatility, etc.

OTHER CHARACTERISTICS – as maybe relevant, such as market conditions or connectivity considerations

Best Execution is especially important in handling orders where CCBIS is expected to have a certain level of discretion or involvement in the actual execution. Reasonable diligence should be demonstrated in handling client instructions, monitoring execution outcomes and, where applicable, taking steps to obtain multiple quotes. Record should be kept of such multiple quotes. In the absence of multiple quotes, execution staff should obtain sufficient pricing information on a best-effort basis to validate quotes provided to clients. However, it is reasonable that the execution factors and weighting criteria may be taken into consideration and applied in a different manner or ranking depending on the specific circumstances and keeping in mind CCBIS's regulatory obligations.

Where the execution factors are weighted or prioritized in a materially different way than as stated in this Policy, the Relevant Licensees should report to the Responsible Officer ("RO") in a written manner on the underlying reasons.

SCOPE OF THIS POLICY

Services:

This Policy will apply when CCBIS executes orders on behalf of clients; as well as receives and transmitting client orders to third parties for execution.

CCBIS may execute transactions directly or via other means (e.g. utilizing other execution brokers). When executing directly via CCBIS, the Relevant Licensees shall execute transactions according to Hong Kong's regulatory standards. When executing via other means, other third parties may be subjected to different regulatory standards in other jurisdictions which may be more or less stringent than the client's own domestic regulatory standards or expected standards, and it is up to the client to determine adequacy of these standards when assessing its own compliance.

Relevant ROs should conduct due diligence on all third parties engaged for execution and be satisfied of their best execution arrangements before commencing and continuing engaging their execution services. The general due diligence work includes obtaining the execution broker's Best Execution Policy, understanding their basic trading procedures and trading systems and reviewing them for sufficiency. Relevant ROs should document their conclusions. Any best execution issues involving third parties should be directed at them and properly addressed in a timely manner. Where the relevant ROs conclude that the third parties do not have a satisfactory best execution policy or cannot reasonably achieve best execution for its clients, the relevant ROs must ensure that such third parties are no longer engaged for execution services.

Products:

This Policy will apply when CCBIS executes orders in the following instruments / markets / situations:

- Listed products including securities and futures contracts including commodities that are traded on recognized exchanges.

- Investment products, bonds, structured notes, OTC products when CCBIS sources quotes from different counterparties on behalf of the client.

- Other instruments / markets as determined by CCBIS Managing Directors.

Applicability:

CCBIS owes Best Execution to clients when we receive an order from a client and we execute that order by acting as agent of the client or on a back-to-back principal basis.

Agency execution is where CCBIS receive an order from a client and directly execute that order with the market for and on behalf of the client (without being counterparty to the transaction).

Back-to-back transaction is transaction where CCBIS after receiving –

(a) a purchase order from a client, purchases an investment product from a third party and then sells the same investment product to the client; or
(b) a sell order from a client, purchases an investment product from the client and then sells the same investment product to a third party,

and no market risk is taken by CCBIS.

WHERE BEST EXECUTION WILL NOT APPLY

Best Execution will not apply in the following instruments / markets / situations:

When CCBIS enters into a transaction with clients on a principal basis (other than those which are back-to-back in nature), and considers that the clients are not relying on CCBIS to protect their interests after having considered or assessed that:

(1) the client initiated the transaction;
(2) there is relative market transparency and relevant market practice to shop around;
(3) there are arrangements and agreements with the client (such as our terms and conditions as well as this Policy) do not indicate CCBIS has agreed to provide best execution;
(4) the professional investor status and investment background of the client.

Notwithstanding the above, CCBIS may reasonably considered that the clients are not relying on CCBIS to protect their interests when

(1) the transaction is pre-arranged in nature or there is relative market transparency (e.g. block trades, IPOs)

(2) clients or counterparties ask CCBIS to make a price on bonds, structured notes or OTC products as principal. In this case, CCBIS is a price giver and CCBIS is not asked to source quotes from different counterparties on behalf of the client.

When client provides CCBIS with a specific instruction in relation to an order, CCBIS will follow that to the extent possible when executing the trade, in which case best execution is taken to have been achieved. Where client orders are unclear, where multiple quotes exist, where pricing information is insufficient or quotes are absent, the Relevant Licensees should clearly communicate with the client to seek further instruction or agree on a way forward.

GREY MARKET TRADING

CCBIS' best execution may not apply. CCBIS uses a third party HK SFC regulated broker for access to trading of pre-IPO shares prior to their official listing on the HKEX. Grey market trading is executed via a proprietary trading platform owned and operated by the third party broker. CCBIS's ability to obtain best execution for grey market trading orders is inherently dependent on the execution arrangements, systems and policies of the third party broker. While CCBIS will take reasonable steps to select and periodically review the third party broker, CCBIS does not control:

- the availability, pricing, or liquidity on the third party broker's platform;
- the execution speed, fill rates, or order handling practices of the third party broker; and

- the types of orders or instructions that the third party broker is willing to accept.

Due to the nature of the grey market, there is no centralized market quote provided by an official exchange and very limited price transparency. CCBIS is only able to provide a quote obtained from its own execution broker and that quote may significantly vary from available quotes in other platforms. CCBIS is not in a position to provide a market quote or the best available quote on any grey market share. CCBIS may not be able to accept all types of client orders or instructions. The specific order types that CCBIS can offer are strictly limited to those that the execution broker makes available on its platform. The executing broker has full discretion to cancel all placed or executed orders.
**Please contact your sales representative for additional information regarding grey market trading and potential associated risks.

SPECIFIC INSTRUCTIONS

CCBIS will follow client's specific instructions (such as circumstances where the client instructs us to execute the order on a particular venue, at a particular time or at a particular price) so far as is reasonably possible, without compromising CCBIS's obligations to its regulators and other clients, and after having advised the client of possible implications (e.g. additional costs, etc.). In the event that the full instructions have been followed, best execution will have been achieved to the extent of the instructions. Where the specific instructions only cover a portion of an order and CCBIS retains discretion over the execution of other elements of the order, the Relevant Licensees must still comply with this Policy in respect of these other elements.

Specific instruction may prevent us from taking the steps that we have designed and implemented in this Policy to obtain the best possible result for the execution of those orders in respect or the elements covered by those specific instruction.

ELECTRONIC TRADING

Electronic Trading orders (e.g. DMA, internet trading, etc.) where an execution venue is specified are routed directly to that venue, and where CCBIS does not take an active role in the actual execution and the level of discretion is minimal or negligible, the level of fulfillment of the client's specific instructions (taking into consideration CCBIS's own controls parameters) becomes especially important when determining whether best execution has been achieved. CCBIS will apply best execution in according with this Policy in respect of those aspects of the order not covered by the specific instruction.

However, CCBIS reserves the right to intervene in the routing and execution of client order where the original parameters could result in adverse market impact.

MONITORING OF BEST EXECUTION

The relevant ROs for each product line should monitor performance of consistent best execution by the Relevant Licensees under his/her supervision and by the third party execution brokers. Review should be made against the client's specific instructions, absent which references can be drawn to Volume Weighted Average Price (VWAP), Implementation Shortfall and degree of latency (amongst others) to assess best execution. Such monitoring should be conducted on a timely and regular basis, against available communications, trading records and market data. Trade exceptions and other matters related to best execution should be brought to the relevant RO's attention for timely review and any conclusions should be documented.

The relevant ROs for each product line should also conduct periodic monitoring as to the effectiveness of its and its third party execution brokers' best execution arrangements and of this Policy in order to identify any deficiencies. Such monitoring should be conducted on at least a bi-annual basis.

In addition, there is a Compliance monitoring & review program as well as periodic internal audit which also cover best execution and our order execution arrangements.

UPDATES TO THE POLICY

This policy may be updated from time to time and shall be reviewed regularly or upon any significant change to our execution arrangements. The latest version of this policy is available on our corporate website.

INFORMATION REQUEST

In the event that a client makes a reasonable and proportionate request for information about CCBIS's Best Execution policies and arrangements as well as trade information, the Relevant Licensees should refer such information request to the relevant RO and respond to the client clearly and in writing within a reasonable time.