

Annex No 1 to
AS "PNB Banka"

ORDER EXECUTION POLICY FOR FINANCIAL INSTRUMENTS

LIST OF ORDER EXECUTION VENUES FOR FINANCIAL INSTRUMENTS

1. CAPITAL SECURITIES

(incl. shares, ADR, GDR, ETF)

ORDER EXECUTION FACTORS

Priority sequence of factors that are taken into account when selecting an Execution Venue:

- 1) price – a market price at which the Client's Order is executed;
- 2) possibility of execution or / and settlement – an important factor that defines the performance possibility of both – execution and settlement;
- 3) size – the Bank's defined execution procedure may differ for the Orders whose size exceeds the size of standard/average Order;
- 4) costs – any other costs associated with the deal that may be collected on top of the Bank's commission fees;
- 5) speed – a factor that is important for the markets or various circumstances of the markets characterised by swift changes of price;
- 6) other factors – any other factors that may effect execution of the Order.

If the Client has given a specific instruction, the Bank executes the Order in compliance with that instruction.

When determining the factors, the Bank relies on the following criteria:

- 1) Characteristics of Client and its status – various Clients may have various factors;
- 2) Characteristics of the Client's Order – the potential impact of the Order on the market situation;
- 3) Characteristics of the FI – FI liquidity and existence of the centralised market;
- 4) Characteristics of the Execution Venue – liquidity available to the Bank in the specific Execution Venue.

EXECUTION VENUES

AS "PNB Banka" is a member of the stock exchange and has direct access to:

Nasdaq Riga

By means of the services provided by Business Partners, the Bank has indirect access to the following Order Execution Venues:

Order Execution Venue
Australia – Australian Securities Exchange
Austria – Vienna Stock Exchange
Belgium – NYSE Euronext Brussels Stock Exchange
Canada - Montreal Exchange
Canada – Toronto Stock Exchange
Czech Republic – Prague Stock Exchange
Denmark – Nasdaq Copenhagen
Estonia – Nasdaq Tallinn

Finland – Nasdaq Helsinki
France – NYSE Euronext Paris Stock Exchange
Germany – Frankfurt Stock Exchange
Germany - Xetra
Greece – Athens Stock Exchange
Hong Kong – Hong Kong Stock Exchange
Hungary – Budapest Stock Exchange
Italy – Borsa Italiana
Japan - Osaka Securities Exchange
Japan - Tokyo Stock Exchange
Latvia – Nasdaq Riga
Lithuania – Nasdaq Vilnius
Netherlands – NYSE Euronext Amsterdam Stock Exchange
New Zealand Stock Exchange
Norway – Nasdaq Norway
NYSE Arca
Poland – Warsaw Stock Exchange
Portugal – NYSE Euronext Lisbon Stock Exchange
Russia - Moscow Exchange
Singapore – Stock Exchange of Singapore
Singapore Exchange Ltd.
Spain – Madrid Stock Exchange
Sweden – Nasdaq Stockholm
Switzerland – SWX Swiss Exchange
Turkey – Istanbul Stock Exchange
UK – London Stock Exchange
USA - American Stock Exchange
USA - ArcaEdge
USA - BATS
USA – Direct Edge
USA – NASDAQ
USA – New York Stock Exchange (NYSE)
USA – NYSE Arca
USA – OTC Markets Pink

List of Business Partners

Business Partners
AS KIT Finance Europe Cyprus Branch
AS BlueOrange Bank

Credit Suisse Securities (Europe) Ltd
Interactive Brokers LLC
KIT Finans OOO
Otkritie Securities Limited
Pinnacle Capital Markets LLC
Raiffeisen Bank International AG
Renaissance Securities (Cyprus) Ltd
Exotix Limited

List of Depositories

Depositories
AS KIT Finance Europe Cyprus Branch
Interactive Brokers LLC
Nasdaq CSD SE
Raiffeisen Bank International AG

2. DEBT SECURITIES

(incl. bonds, debentures, ...)

ORDER EXECUTION FACTORS

Priority sequence of factors that are taken into account when selecting an Execution Venue:

- 1) Size
- 2) Possibility of execution
- 3) Possibility of settlement
- 4) Price
- 5) Speed
- 6) Other factors

EXECUTION VENUES

By means of the services provided by Business Partners, the Bank has indirect access to the following Order Execution Venues:

Order Execution Venue
Estonia – Nasdaq Tallinn
Latvia – Nasdaq Riga
Lithuania – Nasdaq Vilnius
Russia - Moscow Exchange
Bloomberg (DTS) _ OTC transactions

List of Business Partners

Adamant Capital
Alfa-Bank, Moscow
Amstel Securities
AS KIT Finance Europe Cyprus Branch

Atonline Limited
AS BlueOrange Bank
Banca Promos SPA
BANKA Zarattini&CO SA
BCP Securities LLC
BOCI Securities Ltd
BrokerCreditService Ltd (Cyprus)
Carl Kliem S.A.
Continental Capital Markets Ltd
Credit Suisse Securities (Europe) Ltd
Exotix Limited
Finantia UK Limited
Fintailor Investments Limited
Goldman Sachs International
Interactive Brokers LLC
Invest Banca SpA
Intl Fcstone Financial Inc.
KIT Finans OOO
MeritKapital Limited (Cyprus)
NORVIK BANKA PJSC
Oolders, Heijning & Voogelaar B.V. (OHV)
Otkritie Securities Limited
Promsvyazbank
Raiffeisen Bank International AG
Renaissance Securities (Cyprus) Ltd
Ronin Europe Limited
Sberbank CIB (UK) Ltd.
Schildershoven Finance
Sigma Trade Limited (London)
UBS Limited
Univer Capital (Russia)
Veles International Limited (Cyprus)
Zurcher Kantonal Bank

List of Depositories

Depositories
AS KIT Finance Europe Cyprus Branch
Interactive Brokers LLC
Nasdaq CSD SE
Raiffeisen Bank International AG

3. DERIVATIVE FINANCIAL INSTRUMENTS

(incl. share options, futures)

ORDER EXECUTION FACTORS

Priority sequence of factors that are taken into account when selecting an Execution Venue:

- 1) Possibility of execution

- 2) Size
- 3) Speed
- 4) Price
- 5) Possibility of settlement
- 6) Other factors

EXECUTION VENUES

By means of the services provided by Business Partners, the Bank has indirect access to the following Order Execution Venues:

Order Execution Venue
Euronext Derivatives Market
Euronext.liffe
Intercontinental Exchange (ICE)
London Metal Exchange (LME)
Russia - Moscow Exchange
USA - Chicago Board of Trade (CBOT)
USA - Chicago Board Options Exchange (CBOE)
USA - Chicago Mercantile Exchange (CME)
USA – LIFFE
USA - New York Board of Trade (NYBOT)
USA - New York Mercantile Exchange (NYMEX), (incl. COMEX Division)

List of Business Partners

Business Partners
AS KIT Finance Europe Cyprus Branch
Interactive Brokers LLC
KIT Finans OOO

List of Depositories

Depositories
AS KIT Finance Europe Cyprus Branch
Interactive Brokers LLC
Nasdaq CSD SE
Raiffeisen Bank International AG

4. FOREX TRANSACTIONS (MARGINAL)

EXECUTION FACTORS

Priority sequence of factors that are taken into account when selecting an Execution Venue:

- 1) Price
- 2) Speed
- 3) Costs
- 4) Possibility of execution
- 5) Size

6) Other factors

EXECUTION VENUE

AS "PNB Banka"