

ORDER EXECUTION POLICY AND CLIENT BEST INTEREST POLICY

Section 1. General

1. This Order Execution Policy and Client Best Interest Policy ("**Policy**") sets out the principles governing: (i) the execution of orders to buy or sell financial instruments; (ii) the reception and transmission of such orders; and (iii) the provision of portfolio management services in respect of portfolios of financial instruments, which Trigon Dom Maklerski S.A. ("**Brokerage House**") shall endeavour to observe when providing the brokerage services covered hereby.
2. To fulfil this commitment, the Brokerage House has developed and implemented, and shall apply, this Policy in its operations in accordance with the requirements of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive ("**MiFID**").
3. The Brokerage House shall not apply this Policy to Clients that qualify as eligible counterparties unless it has acceded to the eligible counterparty's request to be treated as a professional or retail client.
4. Unless otherwise provided in this Policy, its provisions shall apply *mutatis mutandis* to the reception and transmission of orders to buy or sell financial instruments on foreign markets.
5. This Policy shall apply to transactions in the following categories of financial instruments:
 - 1) financial instruments issued or backed by the State Treasury;
 - 2) non-State Treasury debt securities;
 - 3) foreign debt securities;
 - 4) derivative financial instruments;
 - 5) units or shares in collective investment undertakings;
 - 6) financial instruments offered by the Brokerage House.
6. Acting in the Client's best interest when providing services to the Client shall mean providing such services in accordance with: (i) the Client's orders/instructions, (ii) the agreement concluded between the parties, (iii) the relevant rules and policies of the Brokerage House, (iv) applicable laws and regulations, and (v) this Policy, with a view to obtaining for the Client the best possible results in relation to their investment activity.
7. The Brokerage House shall exercise due professional care in providing services to the Client. As regards the settlement of transactions and certain other specific obligations, the Brokerage House shall be liable for achieving a defined outcome.
8. In all activities relating to the provision of services within the scope hereof, the Brokerage House shall act with due regard to the Client's legitimate interests.
9. Acting with due regard to the Client's legitimate interests must not conflict with the principles of fair dealing or with any legitimate and non-subordinated interests of the Brokerage House's other Clients. The Brokerage House's Conflicts of Interest Policy is set out in a separate document.
10. The Brokerage House shall execute orders promptly, in the order in which they are received. The Brokerage House's own-account orders shall be executed after Client orders received before the Brokerage House placed its own-account order. Orders shall be executed on each market in accordance with the rules applicable on that market.
11. The Brokerage House may aggregate the Client's order with those of other Clients and/or with its own-account orders, provided that doing so is not detrimental to any Client. Where order aggregation may be detrimental to a Client, orders may only be aggregated if it is unlikely to be disadvantageous to the Client overall and the Client has been notified accordingly. Where an aggregated order is fulfilled only partially, the Brokerage House shall allocate the fulfilled portion among Clients pro rata to the value of each Client's order, unless the Client's instructions provide otherwise. Where the Client's order is aggregated with an own-account order of the Brokerage House, the Brokerage House shall ensure that the allocation is not detrimental to the Client's interest, giving priority to the Client's interest over that of the Brokerage House. Pro rata allocation shall apply to the allocation of the price or quantity of financial instruments subject to the buy or sell order and to the costs of its execution (fees and commissions).
12. The Manager may place a single aggregated order on behalf of several Clients it represents, provided that the detailed allocation of the number of financial instruments, their purchase/selling price, and the share of execution costs (fees and commissions) among individual Clients (including as regards negotiable fee and commission rates) is determined no later than on the day immediately preceding the settlement of executed orders (transactions) placed through the Brokerage House. If the Manager fails to specify the allocation method for aggregated transactions, the Brokerage House shall ensure their allocation in accordance with Section 1.11. For the purposes hereof, "Manager" shall mean:
 - 1) an investment firm providing portfolio management services in respect of portfolios comprising one or more financial instruments;
 - 2) an investment fund management company (*towarzystwo funduszy inwestycyjnych*), to the extent it manages portfolios comprising one or more financial instruments;
 - 3) an investment fund management company managing collective securities portfolios;
 - 4) a foreign investment firm and an entity referred to in Article 115(1) of the Act on Trading in Financial Instruments, providing portfolio management services outside the Republic of Poland in respect of portfolios comprising one or more financial instruments;
 - 5) undertakings for collective investment in transferable securities (UCITS).

13. Unless the offering documents or separate allocation policies in place at the Brokerage House provide otherwise, transactions executed against subscriptions on the primary market shall also be allocated on a pro rata basis. Pro rata allocation shall also apply to subscriptions on the primary market and FX and debt instrument transactions executed outside a regulated market or an alternative trading venue.
14. On its website at www.trigon.pl, the Brokerage House shall publish a list of markets where orders may be executed and a list of financial instruments in respect of which it provides order execution services and portfolio management services.

Section 2. Order Execution

1. Unless a given order provides otherwise, orders to buy or sell financial instruments admitted to organised trading shall be routed to and executed on the organised market on which the instruments are admitted to trading and on which the Brokerage House has the legal and operational capacity to execute orders.
2. The Brokerage House shall execute orders promptly, with due regard to the requirements of speed, diligence and fairness. The content or placing conditions of an order, the characteristics of the financial instrument, or the trading conditions or the prevailing trading environment on a given market may affect the speed of execution.
3. Where a financial instrument is admitted to trading on more than one market on which the Brokerage House is eligible to execute orders, the Brokerage House shall, as a general rule, accept the Client's order with an indication of the market on which it is to be executed. If the order does not indicate the market, it shall be routed to the market selected by the Brokerage House on the basis of the factors, criteria, and execution venues set out in Section 3.
4. Where a financial instrument is listed in more than one trading system on a given market, the Brokerage House shall accept the Client's order with an indication of the relevant trading system. If the order does not indicate the trading system, it shall be routed for execution to the trading system selected by the Brokerage House on the basis of the factors, criteria, and execution venues set out in Section 3.
5. With respect to its service consisting in the reception and transmission of orders, the Brokerage House shall receive and transmit only orders that are consistent – as to their content and as to the financial instruments covered – with agreements entered into by the Brokerage House with institutions that execute such orders.
6. Subject to the provisions of the brokerage services agreement and the terms of business, the Brokerage House shall accept Client orders to be executed at the broker's discretion ("**Discretionary Orders**"), within the general execution parameters specified by the Client.
7. The Brokerage House shall execute Discretionary Orders in compliance with generally applicable laws and regulations and the trading rules of the relevant execution venue.
8. Employees of the Brokerage House shall execute Discretionary Orders on the terms specified by the Client and, as regards matters not specified by the Client, shall act in the Client's interest, applying their best knowledge and experience and exercising utmost diligence.
9. The Brokerage House gives no assurance that a transaction executed on the basis of a Discretionary Order will in every case be executed at the best price that will be attainable for the Client during the validity period of the Discretionary Order.
10. If the relevant rules or agreement with the Client so provide, the Brokerage House may execute the Client's order relating to financial instruments admitted to trading on a regulated market by executing a trade outside the regulated market, subject to the Client's prior consent and provided that the order is executed in accordance with the Client's specific instructions as to such execution method or on terms no less favourable than those available on the regulated market. The Brokerage House may decline to execute an order in this manner.
11. If the relevant rules or agreement with the Client so provide, the Brokerage House may execute the Client's order relating to financial instruments admitted to trading on a regulated market by dealing on own account, provided that the order is executed on terms no less favourable than those available on the regulated market. The Brokerage House may decline to execute an order in this manner.
12. In order to safeguard the Client's interest in relation to order execution and the settlement of transactions in large blocks of financial instruments or blocks of illiquid financial instruments, the Brokerage House may, in advance, acquire or dispose of the relevant financial instruments for its own account on a fiduciary basis with the intention of subsequently executing the Client's order.

Section 3. Factors and criteria affecting order execution where the order does not contain relevant instructions

1. To achieve the best possible result when executing orders, the Brokerage House shall take into account, in particular, the following factors, weighing them in light of the Client's interest: (i) price; (ii) transaction costs; (iii) likelihood of execution and settlement; (iv) speed of execution and settlement; (v) execution venue and place of settlement, both assessed against the criteria set out in Section 3.5; (vi) size and nature of the order; and (vii) market characteristics (including liquidity and susceptibility to manipulation).
2. In determining the relative importance of the factors referred to in Section 3.1, the Brokerage House shall also consider: (i) whether the Client is classified as a Retail or Professional Client; (ii) the parameters of the order; (iii) the characteristics of the financial instrument to be traded; and (iv) the type and characteristics of the available execution venues.
3. The primary criteria taken into account for orders from Retail Clients, and their relative weights as assigned by the Brokerage House, are as follows: (i) the result of the transaction, determined by reference to the price of the instruments

and total transaction costs: 60%; (ii) likelihood of execution and settlement, assessed in the context of market liquidity, order size, and the order matching and settlement methods applicable on the market: 20%; (iii) speed of execution: 10%; and (iv) execution venue and place of settlement: 10%.

4. The primary criteria taken into account for orders from Professional Clients, and their relative weights as assigned by the Brokerage House, are as follows: (i) the result of the transaction, determined by reference to the price of the instruments and total transaction costs: 60%; (ii) likelihood of execution and settlement, assessed in the context of market liquidity, order size, and the order matching and settlement methods applicable on the market: 20%; (iii) speed of execution: 10%; and (iv) execution venue and place of settlement: 10%.
5. The Brokerage House's preferred execution venues for orders to buy or sell financial instruments are as follows (in descending order of preference):
 - 1) the stock exchange operated by Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange, WSE) – the main market and the parallel market;
 - 2) organised domestic OTC markets ("**Alternative Trading Venues**");
 - 3) organised foreign markets (provided that the Brokerage House provides order execution services on such markets);
 - 4) transactions outside organised markets;
 - 5) the Brokerage House's own-account transactions.
6. Orders relating to financial instruments listed on an organised market may be executed outside that market only if the order so provides or with the Client's consent.
7. Orders relating to financial instruments listed on a foreign market of which the Brokerage House is not a member (participant) shall be: (i) executed by the Brokerage House vis-à-vis the operator or a member of such market with whom the Brokerage House has entered into an order execution agreement – in the Brokerage House's own name but for the Client's account; or (ii) transmitted to an investment firm that is the operator or a member (participant) of such market with whom the Brokerage House has an agreement for intermediation in the purchase or sale of financial instruments for Clients and/or settlement of transactions.
8. The Brokerage House shall promptly notify Retail Clients of any material circumstances preventing proper execution of their orders. The above shall not apply where: (i) the inability to execute the order results from the terms of the order itself and from publicly available information (e.g. where the Client placed a buy order on a regulated market with a limit price below the price at which the instrument traded on that market during the order's validity period); (ii) the Client has continuous access to information about their account, e.g. in electronic form; (iii) the inability to execute the order results from expiry of the order in accordance with the applicable market rules and the Brokerage House's policies; or (iv) the inability to execute the order results from a suspension of trading in the financial instrument or on the relevant market.
9. Where an order relating to shares admitted to trading on a regulated market cannot be executed promptly after receipt due to conditions specified by the Client or prevailing market conditions, the Brokerage House shall make the order public in such a manner that the order is readily accessible to other market participants unless: (i) the Client requests otherwise or (ii) publication could affect the trading process on the market. In particular, an order may be made public by routing it to a regulated market.
10. The Brokerage House may execute a Client's order outside a trading venue (i.e. outside a regulated market or Alternative Trading Venue), provided that the brokerage services agreement entered into with the Client so provides and the order is executed on terms agreed with the Client.
11. The Brokerage House shall publish the following lists on its website at www.trigon.pl: (i) organised domestic markets of which the Brokerage House is a member; (ii) foreign markets on which it is able to receive and execute Client orders; and (iii) financial instruments in respect of which it provides order reception and transmission services, together with the investment firms with which it has entered into order reception and transmission agreements.

Section 4. Exemptions from or modification of the rules for assessing the Client's best interest

1. The Brokerage House shall not make its own assessment of the Client's best interest in relation to elements of an order or a transaction in the following cases:
 - 1) trades at a price or on other terms specified or expressly accepted by the Client, where the Client and the Brokerage House have not expressly agreed that the Brokerage House is to protect the Client's interests by seeking better terms – in such cases no assessment shall be made with respect to those terms;
 - 2) customised and/or particularly complex transactions accepted by the Client, where: (i) comparable instruments are not available on the market; (ii) the instruments are available only outside an organised market; or (iii) the instruments are also available on an organised market but the Client has instructed that the transaction be executed outside such market;
 - 3) transactions executed by giving the Client direct market access, e.g. by use of IT applications enabling the Client to place orders without the actual involvement of the Brokerage House or its actual influence over the content of the order;
 - 4) transactions that can only be executed taking into account a particular parameter (e.g. price, costs, venue) – with respect to that parameter;
 - 5) transactions executed on the basis of specific Client instructions, where acting in the Client's best interest consists in executing the trade in accordance with those instructions.

2. Where the Brokerage House places orders for the Client's account on the basis of: (i) a power of attorney; (ii) a contractual right (authorisation/mandate); or (iii) a statutory power, the Client's best interest shall be assessed taking into account the purpose for which the Brokerage House is authorised to place the order. In particular:
 - 1) orders placed in order to raise funds needed to pay the Client's liabilities towards the Brokerage House or third parties shall be executed in a manner ensuring prompt settlement of such liabilities, including, depending on the circumstances, at any price and on any available market or outside any market;
 - 2) orders placed following the Client's failure to meet margin requirements shall be placed in such manner as to remedy the margin deficit.

Section 5. Provisions applicable to Clients using portfolio management services

1. The Client Best Interest Policy as applicable to Clients using portfolio management services is based on the implementation of the investment strategy agreed with the Client.
2. Investment strategies under which the portfolio manager makes decisions as to portfolio structure and the timing and conditions of individual transactions shall be implemented in accordance with the terms of the investment strategy agreed between the Brokerage House and the Client. Where a strategy permits detailed profiling and structuring of the portfolio, the Brokerage House shall structure the portfolio in such a way as to ensure its optimum composition in light of the Client's investment and risk profiles. The above measures shall take into account, in particular: (i) the Brokerage House's efforts to achieve the highest possible return for the Client; (ii) making investment decisions within the Client's risk tolerance; (iii) the need to maintain adequate portfolio liquidity and the ability to re-structure the portfolio according to prevailing market conditions; and (iv) the need to optimise transaction costs of the managed account.
3. Investment strategies providing for orders to be placed based on trading system signals, specific events, or changes in certain benchmarks shall be implemented by placing orders promptly and diligently on the basis of relevant trading signals.
4. The Client Best Interest Policy as applicable to portfolio management services provides for the timely, complete, and comprehensive provision to Clients of information on their portfolio structure and transactions executed on managed accounts.
5. The Brokerage House may limit the provision of certain information to Clients: at the Client's request; where disclosure could facilitate market manipulation; or where the agreement with the Client or the investment strategy so provides.
6. The Order Execution Policy as applicable to orders placed as part of the portfolio management services, while preserving the general requirements of this Policy, also takes into account the fact that the portfolio manager's orders are issued by the Brokerage House acting as the Clients' attorney-in-fact. The Brokerage House shall exercise particular care to eliminate conflicts of interest and to ensure equal treatment of such orders and other Client orders.
7. Order execution conditions as set out in the relevant investment strategy shall provide a specific basis for applying an exemption from or modifying the rules for assessing the Client's best interest (Section 4).
8. For orders placed to raise funds in order to carry out the Client's instruction to withdraw cash from the portfolio, terminate the portfolio management agreement or to liquidate the portfolio, or in order to restructure the portfolio following a revision of the investment strategy, the allocation level of such orders may differ from that of other orders.
9. In providing portfolio management services, the Brokerage House shall only use the services of custodians, brokerage houses, and counterparties meeting the criteria set out in the Brokerage House's internal best choice procedure. The key criteria for selecting a counterparty under the best choice procedure include, without limitation: the counterparty's reputation; fees charged; costs of maintaining Client accounts; experience; reliability; quality of collaboration to date; holding required authorisations and financial standing; legal terms of services; ability to ensure equal treatment of all Clients; and quality of research and market recommendations provided.
10. With respect to portfolio management services, in matters not addressed above, the Brokerage House shall apply accordingly the remaining provisions of this Policy, acting in the Client's best interests.

Section 6. Warnings

1. The Brokerage House advises that certain parameters of a Client's instructions or orders may impede or prevent, in whole or in part, the Brokerage House's compliance with this Policy with a view to achieving the best possible execution of such instructions or orders. With respect to parameters not specified by the Client in a given order or instruction, the Brokerage House shall apply the provisions of this Policy unless doing so would conflict with the Client's instruction or order overall.
2. Execution of a transaction in accordance with a Client's order placed outside a trading venue as referred to in Section 3.10 may give rise to additional risks, including in particular tax risk, risks relating to the settlement method and procedure, and the risk that the price of the financial instrument may deviate from the prevailing market price.

Section 7. Miscellaneous

1. The Brokerage House shall execute Client orders and provide portfolio management services only if the Client has accepted this Policy. Such acceptance may be given by the Client in the manner prescribed for entry into or amendment of the brokerage services agreement, or otherwise – explicitly or by conduct – provided that the Client's intention is expressed unambiguously. The Brokerage House may request that the Client confirm such acceptance on a durable medium or may itself prepare such confirmation, in particular on the basis of its system records.

2. The Brokerage House shall monitor, on a periodic basis and in any event at least once a year, the provisions of this Policy and its implementation across all areas of the Brokerage House's business.
3. The Brokerage House shall notify Clients of any amendments to this Policy, including with respect to the factors and criteria taken into account when executing orders in the absence of specific instructions and the relative weights assigned to those criteria, by publishing the updated Policy on its website at www.trigon.pl. The Client's acceptance of this Policy shall be deemed to include acceptance of the procedure for its amendment.

As at 31 January 2022