

ORDER EXECUTION POLICY

1. Purpose of the policy

1.1. In compliance with the Directive 2014/65/EU (MiFID II) of the European Parliament and of the Council the investment companies have to adopt all adequate measures with the help of which they would reach the best possible result for their Clients at execution of orders. These measures have to be in line with the provision of MIFID II and Commission Delegated Regulation (EU) 2017/565 documented in the Strategy on the best execution of orders. The Strategy on best execution of orders is valid for the Clients who, according to MiFID II, are ranked among the non-professional and professional Clients and for financial instruments falling into the extent of this Directive. In case the Client does not provide a concrete order, Finax, o.c.p., a.s. (hereinafter only referred to as the "Broker") tries to execute the orders in compliance with this Strategy.

2. Best order execution approach (Best Execution)

2.1 Elements of the best order execution manners

Execution of orders can be influenced by a number of factors (e.g. price, costs, speed, probability of the execution and settlement, size, nature or other topic that is important at execution of the order). The Broker considers the following criteria when setting the relative importance of the individual factors:

- a) the features of the Clients, including ranking the Client among non-professional or professional Clients;
- b) the features of the Client's order;
- c) category of financial instruments;
- d) the features of the places of execution, where this order can be sent.

With non-professional Clients the best result is assigned based on consideration of all conditions that arise from the price of the financial instrument and of all costs related to the execution of the order.

In general, at professional Clients it is valid, that in order to reach the best possible result of the orders assigned by this type of Clients also the factors like price and costs play a rather important role.

The Broker is authorized, in case of Client, his orders, financial instruments or places of execution, to assign the highest priority to other criteria like price and costs, based on his own judgement, in order to reach the best possible result of execution. In cases when the Broker executes orders of the Client in relation to financial instruments traded solely on OTC markets, he uses the probability of execution and settlement of this order as the priority criteria. In such a case the Broker, after having received the order related to financial instruments traded on OTC markets and after having acquired the approval of the Client

with execution of this order on OTC markets, shall secure immediate execution of order of the Client based on criteria of probability of execution and settlement of the order.

If circumstances occur under which other factors are important at execution of orders of non-professional or professional Clients (e.g. orders exceeding the standard size of the market and order for non liquid instruments), the Broker is authorized, based on his own judgement, to execute the orders based on other factors that, according to the Broker, will lead to securing the best interests of the Client. The Broker is not responsible for non-execution of the order of the Client or for non-execution of maximum efforts for securing the duties resulting from this Strategy in case the execution or settlement is not realized due to violation of the Client's obligations.

In compliance with this Strategy, comparison of results acquired based on applying this Strategy with results that could be reached on behalf of the Client by other financial institution based on applying this Strategy by execution of orders of this company or based on other structure of fees and commissions will not be deemed as evaluation of best possible results.

2.2 Places of execution

The list of Places of execution that the Broker uses for individual financial instruments is published in article 7. The list of Places of execution is not comprehensive but it contains Places of execution which the Broker stresses when executing the orders of the Clients in line with this Strategy. At the same time, the Broker reserves the right that in cases in which he finds it suitable in relation to execution of this Strategy, he adds or removes concrete places of execution. The list of Places of execution for individual financial instruments will be revalued and updated by the Broker regularly with the purpose to identify such Places of execution, by which the Broker is able to permanently get the best possible result of execution of orders.

The Broker will update the list of Places of execution, while the Broker is not obliged to inform the Clients about changes executed in the list of Places of execution. Due to this reason the Broker advises the Clients to follow the actual list of Places of execution that shall be continuously updated. The Broker can, under certain circumstances, use Places of execution that are not indicated in the list of Places of execution, e.g. at execution of order of instrument unusual to the Broker. The Broker will evaluate regularly whether the best possible result is secured by the Places of execution indicated in the Strategy on execution of order for the Client or whether it is not necessary to execute changes in the executive mechanisms.

2.3 Execution of order

The Broker executes this order in compliance with this Strategy based on one of the following methods or by their combination.

- a) The order can be executed directly on the selected regulated market or MTF. In case the Broker is not direct member of the relevant market or MTF, the Broker can transfer

the order on a third market participant at whom he applies mechanisms for execution of orders on this regulated market or MTF.

- b) Execution of the order can be transferred on other investment company or Broker, while the Broker shall assign the final Place of execution and he shall provide sufficient order to other investment company or Broker or he shall secure them in a way that the investment company or the Broker have valid mechanisms that make it possible to the Broker to keep to his own strategy on execution of orders.
- c) An order from the list of financial instruments can be executed outside the regulated market or MTF in case the Broker is the Place of execution himself. However, in order to execute order from the list of financial instruments outside the regulated market or MTF, the Broker has to get prior approval of the Client. Such consent is not required at execution of orders outside the regulated market or MTF which are not indicated in the list of financial instruments. In case the Client has assigned a concrete order, the contracting parties have agreed that neither these principles nor their parts are possible to be applied.

2.4 Concrete instructions

In case the Client assigns concrete instructions for execution of the order, e.g. he assigns the place of execution, the Broker executes this order in compliance with the concrete instructions and he shall consider all adopted adequate measures for reaching the best possible execution of this order in terms of this concrete instruction.

In case of concrete instructions of the Client, the Client takes notice of the fact that a concrete instruction of the Client can prohibit the Broker in adopting measures that were proposed by the company and have been implemented in its strategy in order to reach the best possible result at execution of these orders considering particularly the elements contained in these orders.

2.5 Order transmitting strategy

When the Broker receives Client order and transmits the order to other party (e.g. other broker) for execution, the Broker is obliged to guarantee all necessary measures to provide best execution for the Client. The Broker transmits the Client orders only to those third parties, that enforce execution strategy in line with the best execution policy. This strategy enables the Broker to follow his duties according to the law, whilst executing orders and transmitting orders to other parties for execution. These third parties are mentioned under the section List of places of execution.

3. Best execution based on category of financial instruments

The principles described in this Strategy does not limit the Broker in his acting unless he would consider that such an acting would not lead to execution of order with purpose of reaching the best possible result for the Client. Under such extraordinary circumstances the Broker tries to execute orders as profitably as possible under standard conditions.

3.1 Stocks

The Broker considers whether the most liquid market provides the best possible conditions in general in the field of prices and costs and for this reason he will, in general, place the orders on the domestic market of financial instruments.

3.2 Bonds / money market instruments

The Broker will transfer the orders for bonds and for money market instruments on the domestic market under condition that reasonably high liquidity is secured for such an instrument on the given place. In case the Broker comes to a conclusion that no place of execution meets the criteria set internally for sufficient liquidity, the order shall be executed outside the regulated market or MTF

4. Monitoring and updating

4.1 The Broker will follow the effectivity of the mechanisms for execution of orders and own strategy in order to find out and in case of need to remove any shortness. For example, the Broker shall regularly evaluate whether the best possible result for the Client is secured by the places of execution indicated in the Strategy for execution of orders or whether it is not necessary to execute changes in executive mechanisms. The Broker shall inform the Client about all serious changes related to mechanisms for execution of orders or strategy.

5. General consent of the Client

5.1 Consent of the Client is required in case the Broker could not transfer the orders, however, from time to time he would internalize the orders or he would execute the orders outside the regulated market or MTF. Prior consent of the Client is required also in some cases when the limit orders are not published in quoted stocks. In terms of MIFID II the Broker is obliged to provide his Clients with information about Order execution policy and, at the same time, he is obliged to get the consent of the Client with the Strategy of execution of orders before providing the investment service.

6. Confirmation of best execution

6.1 The Client is authorized to ask the Broker for confirmation that his orders were executed in line with this Strategy about best execution of orders.

7 List of places of execution

7.1 The List of the Places of execution includes the places of execution which enable the Broker on a permanent basis to obtain the best possible result in the realization of the Client's orders. In case of a change in the list of execution of investment services, the list will be updated.

7.2 The Broker reserves the right to use in the realization of a Client's order any other places of execution in addition to the places mentioned in this list in case it arrives at the conclusion

that it is in compliance with the purpose of the achievement of the best possible result of performance for the Client.

- 7.3 The Broker reserves the right to remove any place of execution from the list.
- 7.4 The Broker shall not be obliged to inform the Client of the changes in the list of the place of performance of a service. The list of performance places is updated at www.finax.eu/en.
- 7.5 The Broker may ensure the execution of the Clients' orders directly or through the approved contracting counterparties – third persons.

7.6 Places of execution:

American Stock Exchange	NASDAQ Stock Market
Bolsa de Madrid	New York Stock Exchange
Borsa Italiana	OMX Nordic Exchange - Stockholm
Budapest Stock Exchange	Prague Stock Exchange
Bucharest Stock Exchange	RTS
Bulgarian Stock Exchange – Sofia	Stuttgart Stock Exchange
Burza cenných papierov Bratislava	Swedish Stock Exchange
Deutsche Börse (XETRA)	Swiss Exchange
EUREX	Toronto Stock Exchange
Euronext	Turquoise
Frankfurt Stock Exchange	Vienna Stock Exchange
CHI-X Europe LTD	VIRT-X
Ljubljana Stock Exchange	Warsaw Stock Exchange
London Stock Exchange	Zagreb Stock Exchange
MICEX	

- 7.7 Finax, o.c.p., a.s. executes the Clients' orders through the below listed third persons:
AK Jensen Group Limited

8 Final provisions

- 8.1 This Order execution strategy was approved by the Board of Directors of the Broker on the 11th June 2020, with validity as of the 1st July 2020.
- 8.2 The Order execution strategy was published on the 16th June 2020.