



Best Execution Policy

A. Preamble

Scope of application

1. This Policy applies to the execution of client orders to buy or sell securities or other financial instruments (e.g. options). If the order is executed through commission transactions, i.e. the bank concludes an execution transaction with another market participant on the basis of the client's order and for the client's account, items 1 to 6 apply.

If the bank and the client conclude a purchase agreement on securities or other financial instruments at a fixed or determinable price (fixed-price transaction), item 7 applies. Where these principles of order execution permit execution outside organised markets or multilateral trading systems, the bank must obtain the client's express consent for such purpose.

Aim of order execution

2. Client orders may usually be executed via various execution channels or at various execution venues, e.g. at stock exchanges, via multilateral trading facilities, market makers or on other marketplaces, domestic or abroad, in floor or electronic trading. The following sections describe the execution channels and potential execution venues for the main types of securities, which can consistently be expected to achieve the best possible result in the client's interest and which the bank should therefore generally use to execute client orders.

3. In determining specific order execution venues, the bank should assume that the client's primary aim is to obtain the best price, taking all the costs associated with the execution transaction into account. As securities are generally subject to price fluctuations and adverse price trends cannot be ruled out in the period after the order has been issued, priority should be given to venues at which the order is likely to be completed within a short space of time. Subject to the above- mentioned guidance the bank should also take other relevant criteria into account (e.g. state of the market, settlement security).

Priority of instructions

4. Clients may issue instructions to the bank regarding the venues at which their orders should be executed. Such instructions will prevail over this Execution Policy.

Note: If the client has issued instructions, the bank will execute the order in line with these instructions and is therefore not obliged to execute the order pursuant to the best execution principles laid down herein.



Forwarding orders

5. In certain cases, the bank will not execute the client's order itself, but forward it to another securities-related service company for execution, subject to compliance with this Policy. The client's order will then be executed in accordance with the principles of order execution of this other securities-related service company.

Different execution procedure in specific instances

6. If the principles of order execution detailed below do not cover the particular circumstances in question (e.g. securities with special structures), or the size of the order, exceptional market conditions, market disruption or other circumstances justify or necessitate a different execution procedure, the bank shall execute the order in the client's best interests.

Fixed-price transactions

7. This Policy of order execution will only have limited application if the bank and the client conclude a purchase agreement on securities or other financial instruments at a fixed or determinable price (fixed-price transaction). In such cases, execution as defined above will not take place. Instead, the bank and the client will have a specific obligation to deliver the securities and to pay the purchase price in accordance with the agreement. The order execution principles set out below indicate instances in which the bank usually offers such fixed-price transactions.

The same will apply if the bank offers securities for subscription in the context of a public or private offering or concludes agreements on derivative financial instruments with clients (e.g. options transactions) under which execution at a stock exchange is not possible or foreseen.

B. Principles of order execution for different classes of financial instruments

Interest-bearing securities

Internationally, the bulk of order volumes in inter-bank trading is handled by market makers.

The bank generally executes client orders involving interest-bearing products on an over-the-counter (OTC) basis as commission transactions in inter-bank trading at the best possible price. If, for certain products, there is sufficient trading at stock exchanges, deals may be completed on a commission basis at a domestic or foreign exchange upon the client's instructions.

Equities

As a matter of principle, the bank executes equity orders on a commission basis at the company's/issuer's respective home exchange.

Upon the client's instructions, orders may be forwarded to other stock exchanges.



Due to storage of the securities, sales are transacted at the stock exchanges available in the custodian country. Other client instructions may be accepted once the securities have been transferred.

In countries in which there are several stock exchanges and/or trading platforms, orders will generally be routed to the locations with the highest trading volumes. Electronic exchanges (e.g. XETRA) are increasingly preferred to exchanges with a trading floor.

Should it no longer be possible to accept your order on the same day during the ordinary course of business because the preferred exchange has closed, the order should not normally be routed to the alternative exchange, but may be accepted for the next ordinary trading day if instructed accordingly.

Investment fund units

The issuance of investment fund units at the issue price as well as their redemption at the redemption price are not subject to statutory regulations on order execution.

Under distribution arrangements with fund companies, the bank offers investment fund units at the issue price and carries out redemptions at the redemption price. In cases where distribution arrangements between the bank and the fund companies do not exist, subscription or redemption orders for units of investment funds are executed in accordance with the general terms and conditions of the investment company concerned.

The bank accepts orders to subscribe and redeem investment fund units for forwarding to the investment company in question or its custodian bank.

Some investment funds may also be traded in parallel on stock exchanges. Upon receipt of applicable client instructions, orders may also be executed on a stock exchange.

The principles of order execution with respect to equities apply to orders for funds that are exclusively traded on a stock exchange (exchange traded funds).

Certificates / warrants

As a general rule, these securities are executed on a commission basis at the applicable main stock exchange (by volumes).

Exception (in the event of insufficient market liquidity): execution with the issuer concerned or another trading partner which offers to carry out transactions in the security concerned.

Derivatives (non-securitised financial futures)

Exchange-traded derivatives should be executed at the stock exchange (futures exchange) at



which the contract for which the client has issued an order is traded.

OTC derivatives (e.g. currency, commodity and credit derivatives in the form of options, forwards and swaps) are executed as fixed-price or proprietary transactions.

Other financial instruments

The bank executes orders for any other financial instruments that are covered by the European Markets in Financial Instruments Directive in the client's best interests and pursuant to the rules set out under item A. 3 above.

C. Exchanges offered by the bank

Upon request, the bank should provide clients with a current list of the securities and futures exchanges it offers.