



# Best Execution Policy and Instructions Assignment Policy in Tatra banka, a.s.

## Bank

Tatra banka, a.s., Hodžovo námestie 3, 811 06 Bratislava, Company ID No: 00 686 930, maintained with the Commercial Register of the District Court Bratislava I, Section Sa, Insert No. 71/B.

## BCBP

Bratislava Stock Exchange, Inc. (Burza cenných papierov v Bratislave, a.s.), Vysoká 17, 811 06 Bratislava, Company ID No: 00 604 054, maintained with the Commercial Register of the District Court Bratislava I, Section Sa, Insert No. 117/B.

## BTFE

Multilateral trading facility provided by Bloomberg Trading Facility BV.

## Securities

SLCP and/or TAM Participation Certificates and/or ZCP.

### Securities – Primary Market

Securities which have not yet been accepted for trading in stock exchange or other Regulated Market and which may be obtained only from the issuer or the person representing the issuer (emission arranger) in the primary subscription of securities.

### Securities – Secondary Market

Securities which are not securities – Primary market.

## ETF

Exchange Traded Fund – Management Securities traded in the Regulated Market.

## Investment Certificate

SLCP issued pursuant to §4a Act or similar ZCP.

## RBI Investment Certificate

Investment Certificate issued by RBI.

## Client

Client who has concluded a valid and effective agreement on procurement of purchase or sale of securities with the Bank.

## Other Investment Certificates

Investment Certificate issued by other issuer than RBI.

## OTC Market

Over the counter – bank-to-bank market outside the Regulated Market, outside the multilateral trading system and outside the organised trading system.

## OTCB

OTC Market with the place of execution being Bratislava.

## TAM Participation Certificates

Participation certificates issued by TAM.

## RFQ

Request for Quotation – direct request addressed to the Bank for provision of a binding quotation of price of security with the aim to execute a trade.

## Regulated Market

Multilateral system operated and/or regulated by the market organiser which connects or enables connecting of interests of several parties to purchase and sell securities and/or trade in other financial instruments in the system in compliance with non-discriminatory rules and in the manner which results in a contract related with securities and/or other financial instruments accepted for trading pursuant to its rules and/or systems and which is permitted and operated regularly and in compliance with the provisions of the Act.

## SLCP

Booked securities in the records of the Central Securities Depository established under the Act.

## RBI

Raiffeisen Bank International AG, Am Stadtpark 9, A-1030 Wien, Austria.

## TAM

Tatra Asset Management, správ. spol., a. s., Hodžovo námestie 3, 811 06 Bratislava, Company ID No. 35 742 968, maintained with the Commercial Register of the District Court Bratislava I, Section Sa, Insert No. 1689/B.

## Management Securities

Participation certificates and similar securities.

## Act

Act No. 566/2001 Coll. on Securities and Investment Services and on amendments and supplements to certain acts as amended.

## ZCP

Securities issued outside the territory of the Slovak Republic in booked or similar form.

For other terms and definitions set forth in this document there are valid the terms and definitions used in the respective contractual documentation regulating the procurement of purchase or sale of securities by the bank for the Client.

## 1. Initial Provisions

Pursuant to the Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments amending 2002/92/EC and Directive 2011/61/EU (MiFID 2) and pursuant to § 73p Act, the Bank obligated to introduce and observe the Best Execution Policy and Instructions Assignment Policy set forth in this document in order to reach the best possible result for its Clients (hereinafter collectively referred to as the "Policies").

### 1.1. Object of application of Policies

The Policies apply to the Clients who rank amount non-professional and professional clients pursuant to the Act (they do not apply to the authorised counterparties) and at the same time they apply only to the securities (they do not apply to other financial instruments unless expressly specified otherwise in this document). The object of application of Policies is not formed by any other investment services and investment activities pursuant to the Act such as the acceptance and assignment of a Client's order related to one or several financial instruments pursuant to § 6 (1) a) Act and execution of a Client's order to a Client's account pursuant to § 6 (1) b) Act or any auxiliary services pursuant to the Act or any other activities of the Bank or any other trades in securities and other financial instruments concluded pursuant to the RFQ, unless expressly specified otherwise in this document.

### 1.2. Principle of reaching the best possible result for the Client

Upon implementation and assignment of the Client's order for procurement of purchase or sale of securities the Bank is obligated to take sufficient measures in order to reach the best possible result for the Client pursuant to § 73o Act. The best possible result for the Client shall be determined based on taking into account the conditions that result from the price of securities or speed and probability of the order execution or trade settlement, nature and extent of the order or trade and all costs paid by the Client directly connected with the execution of the Client's order for procurement of purchase or sale of securities including the eventual fees paid to third parties engaged in the execution of the Client's order. Out of these

factors, the greatest importance is put on the price (as it is the main element of the overall financial settlement) and subsequently on total costs connected with the order execution.

In case the Bank executes the Client's order related with the securities which is traded solely at the OTC Market, the Bank uses probability of the order execution and settlement as the preference criterion.

Upon the execution of Client's orders related to the securities traded in the OTC Market and upon decisions to trade on basis of RFQ which relate to the financial instruments traded in the OTC Market (in this case also to other than securities) the Bank verifies whether the suggested price is fair and considers the type of the security or financial instrument, liquidity of the respective security or financial instrument or other facts which affect the price of the security or financial instrument and uses all information available from the resources which are considered as reliable, including the information available from the Regulated Markets, information from mediators of real data and if possible, by comparing with similar or comparable securities or financial instruments.

The Bank reserves the right to assign other importance to individual factors in particular case, and that in compliance with the request for provision of services with professional care and aim to reach the best possible result for the Client.

Upon receipt of an RFQ from the Client, the Bank will price the Product in accordance with the Execution Policy and send the Client the Purchase or Sale Offer so that the Client may subsequently decide to either accept or reject the Binding Offer. In executing orders for the Client, the Bank prioritizes selecting an execution venue which ensures the best possible result for the Client in each specific case, according to section 73o of the Act. List of execution venues used by the Bank for all types of financial instruments is enclosed in the Annex of this document. The Annex is an integral part of the document.

The Bank is authorized, in cases that it considers it suitable in connection with the Policies application, to add or take away unilaterally the particular execution venue from the Annex of this document. Adding or taking away the particular execution venue in the Annex of this document is not considered to be its substantial modification and the updated wording of the Annex of this document shall be available to the Client on the Bank's website [www.tatrabanka.sk](http://www.tatrabanka.sk).

If the order execution venue is not specified by the Client and the order execution venues have comparably good conditions, the decisive factor is speed and probability of order execution.

In case of receipt of a particular order, especially if it is justified due to non-standard nature thereof, the Bank may direct such order upon the assignment thereof also to the execution venue which is not specified in the list of execution venues, provided the request to reach the best possible result for the Client is observed.

The Bank concurrently covenants not to determine or apply the fees and commissions related to the execution of orders in the manner which would be discriminatory to some execution venues.

With regard to the fact that not all execution venues are specified in the list of execution venues can be ranked amount the Regulated Markets, multilateral trading systems or organised trading systems in terms of the respective legal regulation, the Bank notifies its Clients in compliance with the Act about the fact that these Policies allow the assignment of the orders for the purpose of their execution outside the Regulated Market, outside the multilateral trading systems or outside the organised trading systems.

Assignment of the approved securities traders to individual execution venues is enclosed in the respective Policy or in the Annex of this document that represents its integral part. The Bank is authorized, in cases that it considers it suitable in connection with the Policies application, to add or take away unilaterally the approved securities trader for the particular execution venue specified in this document or in the Annex of this document. Adding or taking away the approved securities trader for the particular execution venue specified in this document or in the Annex of this document is not considered to be its substantial modification and the updated wording of this document and Annex of this document shall be available to Clients on the Bank's website [www.tatrabanka.sk](http://www.tatrabanka.sk).

The Bank undertakes to execute the selection of the permitted execution venues and approved securities traders with professional care.

## 2. Execution and assignment of orders

The Bank applies the Policies with individual financial instruments as follows:

### 2.1. Equity securities (shares, pre-emptive rights, ETF or similar securities) and other investment certificates

In case the Client gives the Bank an order for procurement of purchase or sale of equity securities (shares, pre-emptive rights, ETF or similar securities) or Other Investment Certificates traded in the Regulated Market, the Bank either:

- a.) executes the order in the respective Regulated Market in case it is not member thereof, or
- b.) assigns the order to the approved securities trader in case it is the Regulated Market the Bank is not a member of on the day when the order validity starts.

If equity securities or Other Investment Certificates which are the object of this order are quoted at one Regulated Market, the Bank will execute such order at the respective Regulated Market on the day when the order validity starts, provided the Bank is a member of the respective market, or will instruct the approved securities trader to execute the order in the respective Regulated Market as the execution venue.

If the equity securities or Other Investment Certificates which are the object of this order are quoted at several Regulated Market, the Bank will execute such order at the respective Regulated Market on the day when the order validity starts or assigns it to the approved securities trader, and that in the manner that the order would be tradable in such Regulated Market which meets the following conditions as the execution venue: The respective Regulated Market organises a market with equity securities or Other Investment Certificates which are the object of this order, in the same currency as the currency specified by the Client in the respective order in terms of the limit price of security per one security, or if the Client did not specify the currency, in the currency of the nominal value of the securities which are the object of this order. In case there are several Regulated Markets which organise a market with equity securities or Other Investment Certificates which are the object of this order, in the decisive currency according to the previous sentence, the one of those Regulated Markets which provides in the long term the best price, most favourable costs, probability, liquidity and speed of trading equity securities or Other Investment Certificates which are the object of this order. If the Regulated Market determined under the previous sentence does not operate on the day when the order becomes valid, such order will remain unexecuted in the respective Regulated Market until its operation is launched.

In case the Client gives the Bank an order for procurement of purchase or sale of equity securities not traded in the Regulated Market, the Bank publishes such order in case of SLCP on the day when the order becomes valid by means of the BCPB to other participants of trading in the BCPB or in case of ZCP it will assign this order

to the approved securities trader who provides the execution of the order in compliance with its order execution policy. In case the object of the order is formed by shares like ZCP – Primary Market, the approved securities trader and execution venue will be RBI. In case the object of the order is formed by shares like ZCP – Secondary Market, the approved securities trader and execution venue will be RBI.

In case the Client gives the Bank an order for procurement of purchase or sale of Other Investment Certificates not traded in the Regulated Market, the Bank gives an offer for purchase or sale or order for purchase or sale to the issuer on the day when the order becomes valid, while in this case the execution venue will be the OTC Market. If the Bank fails to conclude for the Client the respective trade according to the previous sentence on the day when the order becomes valid for any reason whatsoever, the Bank will attempt to execute the order on every next business day, until the respective order is still valid. In case of such order the Bank is entitled to cumulate orders of Clients.

## **2.2. RBI investment certificates**

In case the Client gives the Bank an order for procurement of purchase or sale of the RBI Investment Certificates – Primary Market, the Bank sells from its assets the securities to the Client which are the object of such order on the issue day, while the execution venue will be the OTCB. In case of such order the Bank is entitled to cumulate orders of Clients.

In case the Client gives the Bank an order for procurement of purchase or sale of the RBI Investment Certificates – Secondary Market with the expected overall price of these securities which equals or exceeds EUR 100,000.00, the Bank gives an offer for purchase or order for purchase or sale to RBI on the day when the order becomes valid, while in this case the execution venue will be RBIV. If the Bank fails to give the offer for purchase or sale or order for purchase or sale to RBI on the day when the order becomes valid for any reason whatsoever, the Bank will attempt to give such offer for purchase or sale or order for purchase or sale to RBI on every next business day, until the respective order is still valid.

In case the Client gives the Bank an order for procurement of purchase or sale of the RBI Investment Certificates with the expected overall

price of these securities which is less than EUR 100,000.00 and at the same time, in case the object of such order are the RBI Investment Certificates with the expected overall price of these securities which is less than EUR 100,000.00 and at the same time, if securities traded in the Regulated Market the currency of the nominal value of the securities which are the object of such order is denominated in EUR, the Bank will assign the order on the day when the order becomes valid to RBI as the approved securities trader, while the respective provisions of Clause 2.1. hereof on selection of the Regulated Market will be applied appropriately also for the RBI Investment Certificates.

In case the Client gives the Bank an order for procurement of purchase or sale of the RBI Investment Certificates with the expected overall price of these securities which is less than EUR 100,000.00 and at the same time, in case the object of such order are the RBI Investment Certificates not tradable in the Regulated Market, or the currency of the nominal value of securities which are the object of such order is denominated in different currency than EUR, the Bank will give the offer for purchase or sale or order for purchase or sale to RBI on the day when the order becomes valid, while in such case the execution venue will be RBIV. If the Bank fails to give the offer for purchase or sale or order for purchase or sale to RBI on the day when the order becomes valid for any reason whatsoever, the Bank will attempt to give such offer for purchase or sale or order for purchase or sale to RBI on every next business day, until the respective order is still valid.

## **2.3. Management securities and TAM Participation Certificates**

In case the Client gives the Bank an order for procurement of purchase or sale of the Management Securities (except for TAM Participation Certificates), the Bank will assign such order to RBI on the day when the order becomes valid, which will provide the order execution with the issuer or transfer agent of these Management Securities in compliance with the terms and conditions arranged with the Client.

In case the Client gives the Bank an order for procurement of purchase or sale of TAM Participation Certificates, the Bank will assign such order to TAM on the day when the order becomes valid, which will provide the order execution in

compliance with the terms and conditions arranged with the Client.

#### 2.4. Debt securities

In case the Client gives the Bank an order for procurement of purchase or sale of debt securities (except for the debt securities issued by RBI – Primary Market), the Bank executes all acts for the purpose of conclusion of the respective trade for the Client at the BTFE or OTC Market the on the day when the order becomes valid. The Bank may execute such order of the Client directly also in the way that it sells the securities which are the object of such order to the Client from its assets or purchases them from the Client to its assets, while the execution venue will be the OTC Market. In case of such order the Bank is entitled to cumulate orders of Clients.

If the Bank fails to conclude for the Client the respective trade at the BTFE or OTC Market on the day when the order becomes valid for any reason whatsoever, and the Bank does not sell the securities from the assets of the Bank to the Client which are the object of the order or purchases them from the Client to the assets of the Bank, the Bank will attempt to execute the order on every next business day, until the respective order is still valid.

In case it becomes obvious that the order of the Client cannot be executed in the manner as specified herein in the course of its validity and at the same time the order regards:

- a.) debt SLCP traded by means of the BCPB, the Bank will publish such order of the Client by means of the BCPB for other participants of trading at the BCPB immediately when possible with regard to the BCPB operation,
- b.) debt ZCP traded at the Regulated Market, the Bank will assign such order to RBI as the approved securities trader, while provisions of Clause 2.1. hereof on selection of the Regulated Market will appropriately be applied also for these debt ZCP.

In case the Client gives the Bank an order for procurement of purchase or sale of debt securities issued by RBI – Primary Market, the Bank sells from its assets the securities to the Client which are the object of such order on the issue day, while the execution venue will be the OTCB. In case of such order the Bank is entitled to cumulate orders of Clients.

### 3. Monitoring, assessment and update of the Policies

The Bank regularly carries out monitoring and assessment of the quality and prices of the services of the approved securities traders in regular annual intervals or at any significant change that may affect the client's ability to obtain the best possible result in executing his instructions, upon the criteria selected in advance, while it is especially the quality of the execution and settlement of the executed transactions by the approved securities traders which is being monitored and assessed. The Bank appropriately updates the Policies if necessary based on such monitoring and assessment. The Bank informs the Client about significant changes to the Policies on the Bank's website [www.tatrabanka.sk](http://www.tatrabanka.sk).

### 4. Notifications

The Banks assumes no responsibility for non-execution or non-settlement of the Client's order for procurement of purchase or sale of securities and/or not exerting the maximum effort for ensuring the fulfilment of obligations resulting from the Policies in case the non-execution or non-settlement of such orders was due to the Client's breaching his/her obligation.

The Bank may execute all orders of the Client for procurement of purchase or sale of securities outside the Regulated Market or outside the multilateral trading system or outside the organised trading system upon previous express consent granted by the Client at signing the respective contract on procurement of purchase or sale of securities.

The Bank notifies the Client that Client's particular orders may prevent the Bank from proceeding according to its best execution policy with the aim to reach the best possible result for the Client. In case of a Client's order containing a particular instruction the Bank proceeds in compliance with such instruction and Bank's obligation to reach the best possible result for the Client is thereby considered as fulfilled.

The Bank notifies the Client that if, upon provision of investment service the acceptance and assignment of the Client's order regarding one or several financial instruments pursuant to section 6 par. 1 letter b) of the Act the Client gives the Bank the order regarding securities that is non-complex financial instrument based on its own initiative while the conditions according to section 73h of the Act are met, it is not required of the Bank to assess the suitability of provided or offered securities or investment service and for this reason the Client does not enjoy the advantage of corresponding protection on the basis of the respective provisions of the Act on the Activity Rules in Relation to Clients.

The Bank executes a cumulation (joining) of the orders only in case it is improbable that such cumulation of orders would be unfavourable for the Client. Nevertheless, the Bank notifies the Client of the fact that the effect of cumulating orders in relation to a particular order of the Client can be to Client's disadvantage. In case the Bank cumulates an order with one or several orders of another Client and the cumulated order is executed partially, the Bank will consider the date when the order validity started and then the time the Bank received the order upon gradual satisfaction of the orders of Clients while the orders with an earlier date of validity start or with the earlier date and time of delivery will take preference.

In case the Bank does not manage for any reason to execute the Client's order for procurement of purchase or sale of securities according to the separate provisions to the best execution policy referred to in point 2, then the Bank may execute the respective order of the Client for procurement of purchase or sale of securities also in the manner that it will sell to the Client the securities that are the object of this order from its assets or buy them from the Client into its assets.

If the Bank acts as an execution venue and executes the Client's order versus Bank's own portfolio, the Bank will consider the security type, liquidity of the given security or other circumstances when determining the price, which affect the security price. The Bank will apply the method of order execution versus its own portfolio only in cases it is justified to assume that the execution of the order versus Bank's own portfolio will provide reaching of the best possible result for the Client, and hence the overall performance received or remitted by the Client in connection with such executed order will not be less favourable for the Client than as if such order would be executed by means of the Regulated Market or the BTFE.

The Bank notifies the Client that in case the Bank received an order for procurement of purchase or sale of security, the Bank is entitled to execute or assign such order at any time during the day, which equals the day when the order validity started, however not later than until 6:00 p.m. of the respective day. This does not apply in case the object of the execution or assignment of the order should be securities – Primary Market or if such execution or assignment of the order is prevented by objective circumstances (e.g. Regulated Market will not operate on the day when such order validity starts).

The Bank notifies the Client that it is entitled to procure purchase or sale of securities for the Client even in lesser amount than the Client specified in the order, or in parts. The Bank applies charges pursuant to the respective Service Charges for every single procure-

ment of purchase or sale of securities for the Client by parts as for a separate trade.

The Bank notifies the Client those extraordinary circumstances such as e.g. rapid price variations, narrow market liquidity or failed information technologies may force the Bank to proceed upon the execution or assignment of an order of the Client in the manner which differs from the procedures set forth in this document. In such cases the Bank will act so that the basic principles of protection of Client's interests are observed.

These Policies become valid and effective on January 1st 2023 and after that date they cancel and supersede in full extent the Best Execution Policy and Instructions Assignment Policy in Tatra banka, a.s. which became valid and effective on June 1st 2020.

Valid and effective from January 1<sup>st</sup>, 2023

## List of execution venues

MIC Code*	Name of execution venue	Possibility of determination of limit price of securities per one piece of security as market price with determination of Stop loss price	Approved securities trader**
XLIT	Ab Nasdaq Vilnius	No	RBI
XASX	ASX – All Markets	No	RBI
XATH	Athens Exchange S.A. Cash Market	No	RBI
BTFE	Bloomberg Trading Facility BV	No	-
BMTF	Bloomberg Trading Facility Limited	No	-
XBER	Boerse Berlin	No	RBI
XDUS	Boerse Duesseldorf	Yes	RBI
XMUN	Boerse Muenchen	No	RBI
XSTU	Boerse Stuttgart	Yes	RBI
XMAD	Bolsa De Madrid	No	RBI
XMIL	Borsa Italiana	No	RBI
XBRA	Bratislava Stock Exchange	No	-
EBRA	Bratislava Stock Exchange – MTF	No	-
XBUD	Budapest Stock Exchange	No	RBI
XBUL	Bulgarian Stock Exchange	No	RBI
XKLS	Bursa Malaysia	No	RBI
XBRN	BX Swiss AG	No	RBI
XFRA	Deutsche Boerse AG	Yes	RBI
XETR	Deutsche Börse Xetra	Yes	RBI
XAMS	Euronext – Euronext Amsterdam	No	RBI
XBRU	Euronext – Euronext Brussels	Yes	RBI
XLIS	Euronext – Euronext Lisbon	No	RBI
XPAR	Euronext – Euronext Paris	Yes	RBI
XHAM	Hanseatische Wertpapierboerse Hamburg	No	RBI
XHKG	Hong Kong Exchanges And Clearing Ltd	Yes	RBI
XIDX	Indonesia Stock Exchange	No	RBI
XDUB	Irish Stock Exchange – All Market	No	RBI
XJSE	Johannesburg Stock Exchange	No	RBI

XKIE	Kiev Universal Exchange	No	RBI
XKRX	Korea Exchange (Stock Market)	No	RBI
XLJU	Ljubljana Stock Exchange (Official Market)	No	RBI
XLON	London Stock Exchange	Yes	RBI
XLUX	Luxembourg Stock Exchange	No	RBI
MISX	Moscow Exchange – All Markets	No	RBI
XMIC	Moscow Interbank Currency Exchange	No	RBI
XMOS	Moscow Stock Exchange	No	RBI
XCSE	Nasdaq Copenhagen A/S	No	RBI
XHEL	Nasdaq Helsinki Ltd	No	RBI
XSTO	Nasdaq Stockholm AB	No	RBI
XTAL	Nasdaq Tallinn AS	No	RBI
XNMS	NASDAQ/NMS (Global Market)	Yes	RBI
ARCX	New York Stock Exchange ARCA	Yes	RBI
XNYS	New York Stock Exchange, Inc.	Yes	RBI
XNZE	New Zealand Exchange Ltd	No	RBI
XASE	NYSE American Llc	Yes	RBI
XOSL	Oslo Bors ASA	No	RBI
XOTC	OTCBB	No	RBI
XPRA	Prague Stock Exchange	Yes	RBCZ
RBIV	Raiffeisen Bank International AG – Systematic Internaliser	No	RBI
XSES	Singapore Exchange	Yes	RBI
XQMH	SIX Swiss Exchange	Yes	RBI
XSWX	SIX Swiss Exchange	Yes	RBI
XVTX	SIX Swiss Exchange – Blue Chips Segment	Yes	RBI
XMCE	Spanish Stock Exchange Interconnection System	No	RBI
XBSE	Spot Regulated Market – BVB	No	RBI
XTKS	Tokyo Stock Exchange	No	RBI
XTSE	Toronto Stock Exchange	No	RBI
XTSX	TSX Venture Exchange	No	RBI
XWAR	Warsaw Stock Exchange/Equities/Main Market	No	RBI
WBAH	Wiener Boerse AG Amtlicher Handel (Official Market)	Yes	RBI
XVIE	Wiener Boerse AG, Wertpapierboerse (Securities Exchange)	Yes	RBI
XZAG	Zagreb Stock Exchange	No	RBI

\* MIC Code – Market Identifier Code (MIC, ISO 10383) is a unique identification code used to identify securities trading exchanges, regulated and non-regulated trading markets. The MIC is a four alphanumeric character code, and is defined in ISO 10383.

\*\* Approved securities trader –

RBI – Raiffeisen Bank International AG, Am Stadtpark 9, A – 1030 Wien, Austria  
RBCZ – Raiffeisenbank, a.s., Hvězdova 1716/2b, 14078 Praha 4, Czech Republic