

ORDER EXECUTION POLICY AND BEST EXECUTION POLICY

Section 1. General

1. The Order Execution Policy and the Best Execution Policy (the "Policy") set out the terms and conditions for i) executing orders to buy or sell financial instruments, ii) receiving and transmitting orders to buy or sell financial instruments, and iii) managing financial instruments portfolios, which Trigon Dom Maklerski S.A. (the "Brokerage House") shall seek to comply with when providing brokerage services covered by the Policies.
2. To that end, the Brokerage House has developed, implemented and applies these Policies 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 does not apply these Policies to Clients who are eligible counterparties, unless the Brokerage House has complied with the eligible counterparty's request to be treated as a Professional or Retail Client.
4. Unless this Policy provides otherwise, it applies accordingly to reception and transmission of orders to buy or sell financial instruments in foreign markets.
5. This Policy applies to transactions in the following financial instruments:
 - 1) financial instruments issued or backed by the State Treasury;
 - 2) non-Treasury debt securities;
 - 3) foreign debt securities;
 - 4) derivative financial instruments;
 - 5) units 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 of the Brokerage House, iv) applicable laws and regulations, and iv) this Policy, with a view to obtaining the best possible results on the Client's investments.
7. The Brokerage House shall exercise due professional care in providing services to the Clients. As regards transaction clearing and other specific obligations, the Brokerage House shall be responsible for the outcome of the activities.
8. All activities related to the provision of services covered by the Policies shall be performed by the Brokerage House with due regard to the Client's legitimate interests.
9. Acting with due regard to the Client's legitimate interests may not conflict with the principles of fair trading or with any legitimate and unsubordinated interests of the Brokerage House's other Clients. The Conflict of Interest Management Policy has been established by the Brokerage House in a separate document.
10. Orders shall be executed by the Brokerage House promptly, in the order in which they are received. The Brokerage House's own orders shall be executed after Client orders that had been received before the Brokerage House made its own order. Orders shall be executed on each market in accordance with the relevant rules of that market.
11. The Brokerage House may aggregate the Client's order with orders placed by other Clients and/or orders of the Brokerage House, unless this is detrimental to the interests of any of the Clients. Where order aggregation might compromise the interest of any Client, it shall only be undertaken if it is unlikely to work to the disadvantage of the Client and after the Client has been notified of the fact. Unless the Client's order states otherwise, if a combined order is fulfilled only partially, the Brokerage House shall allocate the executed order to the Clients pro rata to the value of their orders. If the Client's order is aggregated with an order of the Brokerage House, the Brokerage House shall ensure that the allocation is not detrimental to the Client's interest, with the Client's interest given priority over the interest of the Brokerage House. Pro rata allocation is applied with respect to the price or quantity of financial instruments bought or sold based on the buy or sell order and with respect to the order execution cost (fees and commissions).
12. The Manager may issue one combined (aggregated) order for a number of Clients the Manager represents, provided that the allocation of the financial instruments, the selling/purchase price and the costs (fees and commissions) to individual Clients (negotiable fees and commissions) is determined in detail no later than on the day immediately preceding the day when the executed orders (transactions) placed via the Brokerage House are cleared. If the Manager does not determine the allocation of aggregated transactions, the Brokerage House shall perform the allocation in accordance with Section 1.10 of this Policy. The Manager shall be:
 - 1) an investment firm that provides services involving management of portfolios comprising one or more financial instruments;
 - 2) an investment fund management company – 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 the entity referred to in Art. 115.1 of the Act on Trading in Financial Instruments, which provides services involving management of portfolios comprising one or more financial instruments outside the Republic of Poland;
 - 5) collective investment undertakings (UCITS);
13. Unless offering documents and separate allocation policies adopted by the Brokerage House provide otherwise, allocation of transactions executed under orders placed on the primary market shall also be done on a pro rata basis. The same shall apply to subscription orders on the primary market, currency transactions and transactions in debt instruments outside regulated markets or multilateral trading facilities.
14. On its website at www.trigon.pl, the Brokerage House shall publish a list of markets where individual orders may be executed, as well as a list of financial instruments with respect to which the Brokerage House provides order execution services and financial instruments portfolio management services.

Section 2. Execution of orders

1. Unless the relevant order provides otherwise, orders to buy or sell financial instruments admitted to organised trading shall be sent 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 actual capacity to execute orders.
2. The Brokerage House shall execute orders promptly, in accordance with applicable requirements, including requirements relating to speed of execution, fairness and integrity. The content or conditions of placing an order, characteristics of a given financial instrument, trading conditions or the current trading situation in a given market may affect the speed of execution of the order.
3. Where a financial instrument is admitted to trading on more than one market on which the Brokerage House may execute orders, the Brokerage House shall, as a rule, accept the Client's order indicating the market on which it is to be executed. If the order does not specify the relevant market, it shall be sent to the market selected by the Brokerage House based on factors, criteria and venues indicated 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 indicating the relevant trading system. If the order does not specify the relevant trading system, it shall be sent for execution in the trading system selected by the Brokerage House based on factors, criteria and venues indicated in Section 3.
5. With respect to the services involving reception and transmission of orders, the Brokerage House shall receive and transmit only orders that are consistent – as to their content and as to financial instruments to be bought or sold on the basis of the order – with agreements entered into by the Brokerage House with institutions that execute such orders.
6. Subject to the terms set forth in the brokerage services agreement and in the rules governing provision of services, the Brokerage House shall receive Clients' orders to be executed at the broker's discretion (the "discretionary orders") within the limits of general conditions for the order execution specified by the Client.
7. The Brokerage House shall execute discretionary orders from Clients in accordance with the generally applicable laws and with the rules of trading applicable in the particular order execution venue.
8. Employees of the Brokerage House shall execute discretionary orders from Clients on terms set by the Client, and as regards any matters not specified by the Client, they shall exercise utmost diligence and shall be guided by the Client's interest and their best knowledge and experience.
9. The Brokerage House gives no assurance to the Client that the Client's transaction executed based on a discretionary order will be in each case executed at the best price for the Client attainable during the discretionary order's validity period.
10. If the relevant rules or an agreement with the Client so provide, the Brokerage House may execute the Client's order concerning financial instruments admitted to trading on a regulated market by entering into a transaction outside a regulated market, subject to the Client's consent, and the order shall be executed in accordance with an appropriate instruction of the Client regarding such method of execution or on terms not worse than the terms on the regulated market. The Brokerage House may refuse to execute an order in this manner.
11. If the relevant rules or an agreement with the Client so provide, the Brokerage House may execute the Client's order concerning financial instruments admitted to trading on a regulated market by entering into a transaction for its own account, provided that the order is executed on terms not worse than the terms on the regulated market. The Brokerage House may refuse to execute an order in this manner.
12. In order to safeguard the Clients' interest as regards execution of their orders and settlement of their transactions in large blocks of financial instruments or blocks of financial instruments with low liquidity, the Brokerage House may first sell or buy such financial instruments on a fiduciary basis and for its own account with the intention of executing the Client's order.

Section 3. Factors and criteria taken into account when executing an order if the order does not contain relevant instructions

1. To ensure the best possible results of order execution, the Brokerage House shall take into account in particular the following factors, assessing them from the perspective 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, assessed in accordance with the rules indicated in Section 3.5, vi) size and type of the order, vii) characteristics of the market in question (including its liquidity, vulnerability to manipulation).
2. Considering the relative weight of particular factors referred to in Section 3.1, the Brokerage House shall also take into account: i) the Client's classification as a Retail Client or Professional Client, ii) characteristics of the order, iii) characteristics of the financial instrument to be bought or sold based on the order, iv) type and characteristics of the possible execution venues.

3. The basic criteria taken into account in the case of orders from Retail Clients shall be the following criteria, to which the Brokerage House shall assign the following relative weights: i) the transaction result determined by the price of the instruments and total transaction costs: 60%, ii) the likelihood of execution and settlement assessed in the context of market liquidity, size of the order, and the method of matching and settling orders applied in a given market: 20%, iii) speed of execution: 10%, iv) execution venue and place of settlement: 10%.
4. The basic criteria taken into account in the case of orders from Professional Clients shall be the following criteria, to which the Brokerage House shall assign the following relative weights: i) the transaction result determined by the price of the instruments and total transaction costs: 60%, ii) the likelihood of execution and settlement assessed in the context of market liquidity, size of the order, and the method of matching and settling orders applied in a given market: 20%, iii) speed of execution: 10%, iv) execution venue and place of settlement: 10%.
5. The preferred execution venues for orders to buy or sell financial instruments received for execution by the Brokerage House shall be as follows (starting from the most preferred one):
 - 1) the stock exchange operated by Giada Papierów Wartościowych S.A. of Warsaw – the main market and the parallel market,
 - 2) organised domestic OTC markets (“**multilateral trading facilities**”),
 - 3) organised foreign markets (provided that the Brokerage House provides order execution services in such markets),
 - 4) transactions outside organised markets,
 - 5) transactions for the Brokerage House’s own account.
6. Orders concerning financial instruments listed on an organised market may be executed outside this market only if the content of the order so provides or with the Client’s consent.
7. Orders concerning 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 in relation to the operator or 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 by the Brokerage House to an investment firm being the operator or a member (participant) of such market with whom the Brokerage House has entered into an agreement for intermediation in buying or selling financial instruments for Clients and/or for clearing of transactions.
8. The Brokerage House shall promptly notify the Retail Client of all material circumstances preventing proper execution of an order placed by the Client. The above shall not apply in cases where i) the inability to execute the order results from the content of the order and information available to the public (e.g. when the Client placed a purchase order to be executed on a regulated market with a price limit lower than the price at which the instrument trades on that market during the validity period of the order), ii) the Client has permanent access to information about the balance of its account, e.g. in electronic form, iii) the inability to execute the order results from the expiry of the order validity due to expiry of a broker order, in accordance with the relevant market rules and internal regulations of the Brokerage House, iv) the inability to execute the order results from suspension of trading in a given financial instrument or trading in a given market.
9. If due to conditions specified by the Client an order concerning shares admitted to trading on a regulated market cannot be executed promptly after it is received because of conditions prevailing on that market, the Brokerage House shall publish such order in a manner easily accessible for other market participants, unless: i) the Client requests otherwise, ii) this could affect the trading process on the market. In particular, it is understood that an order may be published by sending it to a regulated market.
10. The Brokerage House shall publish the following lists on its website at www.trigon.pl: i) list of organised domestic markets of which the Brokerage House is a member, ii) list of foreign markets for which it has the ability to receive and execute Client orders, iii) list of financial instruments for which it provides services involving reception and transmission of orders and of investment firms with which it has entered into an agreement on reception and transmission of orders.

Section 4. Exclusion or modification of rules for the assessment of the Client’s best interest

1. The Brokerage House shall not make its own assessment of the Client’s best interest in relation to the elements of an order and transaction with respect to the following transactions:
 - 1) transactions with a price or other terms specified by the Client or explicitly accepted, where the Client and the Brokerage House have not expressly agreed that the interests of the Client are to be protected by the Brokerage House by seeking opportunities to obtain other (better) terms – the assessment shall not be made with respect to such terms,
 - 2) customised and/or particularly complex transactions which the Client accepts, if: i) comparable (similar) instruments are not available on the market, or ii) the instruments are available only outside an organised market, or the instruments are also available on an organised market but the Client has placed an order to trade outside such a market,
 - 3) transactions executed by allowing the Client to actually access the market directly, e.g. using IT applications enabling the Client to place orders without the actual participation of the Brokerage House or without the actual impact on 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 this parameter,
 - 5) transactions executed on the basis of detailed instructions from the Client, for which acting in the best interest of the Client consists in executing transactions in accordance with such instructions.
2. In cases where the Brokerage House places orders for the Client’s account based on i) power of attorney, ii) contractual right (or authorisation or mandate) or iii) power stipulated by law, the Client’s best interest shall be considered taking into account the purpose for which the Brokerage House is authorised to place the order. In particular:
 - 1) orders placed in a situation where it is necessary to obtain funds to settle the Client’s liabilities towards the Brokerage House or other persons shall be executed in a manner ensuring quick settlement of the Client’s liabilities, including, as the case may be, at any price and on any available market or outside the market,
 - 2) orders placed after the Client failed to meet the required margin shall be placed in such manner as to remedy the margin deficit.

Section 5. Specific provisions of the Policies concerning Clients using portfolio management services

1. The best execution policy concerning Clients who use portfolio management services provides for the implementation of the investment strategy agreed with the Client.
2. Investment strategies under which the portfolio manager makes decisions as to the composition of the portfolio and the timing and conditions of executing individual transactions shall be implemented with respect to the portfolio composition in accordance with the terms of the investment strategy agreed between the Brokerage House and the Client. With respect to the possibilities of structuring the detailed profile and composition of the portfolio provided for in a given strategy, the Brokerage House shall structure the portfolio taking into account the objective of aligning its composition with the optimum one, the Client’s investment profile and risk profile. The above measures shall include in particular: i) the Brokerage House’ efforts to ensure, the highest possible return for the Client as part of the service, ii) making investment decisions within the limits of risk accepted by the Client, iii) the need to ensure adequate liquidity of the portfolio components and the ability to adjust the portfolio composition to current market conditions, iv) the need to optimise transaction costs in the managed account.
3. Investment strategies which provide for orders to be placed based on indications from trading systems, specific events, or changes in objective indicators shall be executed by way of placing orders promptly and fairly on the basis of relevant trading signals.
4. The best execution policy for portfolio management services provides for timely, complete and comprehensive provision to the Client of information on portfolio composition and transactions executed in managed accounts.
5. The Brokerage House may limit the provision of specific information to Clients either at their request, or where this could enable manipulation of financial instruments, or if the agreement with the Client or investment strategy so provides.
6. While preserving the general requirements of the Order Execution Policy, the execution policy for orders placed as part of the portfolio management services also takes into account the fact that the manager’s orders are issued by the Brokerage House acting as the Clients’ attorney. The Brokerage House shall exercise particular care in order to eliminate any conflicts of interest and ensure equal treatment of the aforementioned orders and other Clients’ orders.
7. Any order execution conditions set out in the relevant investment strategy shall constitute a special basis for exclusion or modification of the rules for assessment of the Client’s best interest (Section 4).
8. For orders placed to obtain funds in connection with the Client’s instruction to withdraw assets from the portfolio or termination of the portfolio management agreement with an instruction to liquidate the portfolio, or to adjust the portfolio to a revised investment strategy, the level of allocation of such orders may differ from the level of execution of other orders.
9. While providing portfolio management services, the Brokerage House shall only use the services of custodians, brokerage houses and counterparties meeting the criteria set forth in the internal best choice procedure of the Brokerage House. The key criteria for selecting a counterparty specified in the best choice procedure include, without limitation, the counterparty’s reputation, the amount of fees charged, the costs of maintaining Client accounts, experience, the counterparty’s reliability, the quality of cooperation to date, holding required authorisations and financial standing, legal conditions of the services provided, the ability to ensure implementation of the principles of equal treatment of all Clients, the quality of research and recommendations provided.
10. With respect to portfolio management services, any matters not provided for above shall be governed by other principles of the Policies covered by this document, which shall be applied accordingly, in the Client’s best interest, by the Brokerage House.

Section 6. Miscellaneous

1. The Brokerage House shall execute the Client’s orders and shall provide the services involving management of a financial instruments portfolio on condition that the Client has given its consent to the wording of the Policies. Such consent may be expressed by the Client in the manner prescribed for the execution or amendment of the brokerage services agreement or otherwise – expressly or implicitly, as long as the Client’s intention is expressed in an unambiguous manner. The Brokerage House may request confirmation of such consent by the Client on a durable medium or prepare such confirmation, in particular on the basis of records in the system.
2. The Brokerage House shall monitor periodically, and in any case at least once a year, the records and implementation of the Policies in all areas of the Brokerage House’s activities.
3. The Brokerage House shall notify Clients about any amendments to the Policies, including with respect to factors and criteria taken into account when executing an order if the order does not contain relevant instructions, and relative weights assigned to the criteria, by publishing updated wording of the Policies on its website at www.trigon.pl. The Client’s acceptance of the Policies shall be understood as the acceptance of the manner in which the amendment is made.