

# **CLIENT ORDER EXECUTION POLICY**

**Raiffeisenbank Austria d.d.**

**June 2023**

Pursuant to Article 123 of the Capital Markets Act, to Civil Obligations Act and to Article 8 of the Articles of Incorporation of Raiffeisenbank Austria d.d., the Management Board of the Bank adopted this Client Order Execution Policy adopted in the 41. Board meeting held on 25.05.2023.

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## ORDER EXECUTION POLICY FOR CLIENTS OF TRADING AND SALES IN MARKETS

### Information to Clients of Markets

This document is part of the Client Order Best Execution Policy on the basis of which Raiffeisenbank Austria d.d. Zagreb (Bank) applies all necessary steps and measures in order to ensure full transparency of business practices and policies to clients and to achieve the best results when transacting with clients.

The Bank ensures implementation of required measures and procedures in order to obtain the best possible result for the client when trading and dealing with them, executing their orders or responding to price or quote requests in accordance with applicable regulations and directives. The content of this document is available to public on the Bank's web site [www.rba.hr](http://www.rba.hr). All transactions with Financial Markets are concluded under the following agreements: Agreement on Participation in Markets Trading System, ISDA Master Agreement (international agreement governing derivatives transactions), Derivatives Master Agreement, in accordance with the relevant legal regulations and with this document.

Following are definitions of abbreviations used herein.

CCS	Cross currency swap
FRA	Forward rate agreement
FX Forward	FX Forward
FX SWAP	FX SWAP
IRS	Interest rate swap
MTP	Multilateral Trading Facility
OTC/ over -the-counter	Over-the-counter trading
PIN	Personal Identification Number

### 1. Introduction

The primary objective of the Client Order Best Execution Policy is to obtain, on an on-going basis, the best possible result for the Clients of the Bank. When executing transactions the Bank acts honestly, fairly and professionally in accordance with the best interests of its Clients.

In accordance with its best execution duties the Bank is required to provide Clients with all necessary information about its services, financial instruments, execution venues, aligned costs and information about its execution policy and to obtain the Client's consent prior to providing the investment service.

Best execution policy constitutes an integral part of the relationship between Bank and Client. Clients must give their consent for acceptance of the best execution policy before the Bank executes their orders.

## 2. Scope

### 2.1. Clients

Best execution policy laid down in this document applies to orders of the Bank's retail and professional Clients which are classified in keeping with the Capital Market Act (Official Gazette no. 65/2018, 17/2020 and 83/2021) as amended from time to time.

### 2.2. Products

Best execution policy applies to FX market transactions (FX Forward) and money market transactions (FX Swap, FRA, IRS, Repo agreements, CCS) and securities market transactions (short-term and long-term securities trading). The aforementioned FX and money market transactions are transactions in derivative financial instruments and they may be initiated for the purpose of risk management and mitigation, speculation and arbitration of any kind.

## 3. Trading and Order Initiation Procedures

In order to initiate transactions in financial instruments, Clients may approach the Bank via a trading venue.

Trading venues for Clients of the Bank are:

- i. Bank, for OTC transactions via telephone confirmed with PIN,
- ii. Bloomberg, for MTF transactions

The Bank executes a transaction either directly in the trading venue or, alternatively, executes transactions as an intermediary between Raiffeisen Bank International AG and Client. In that case, execution is also subject to the application of the execution policy of Raiffeisen Bank International AG, which is available to the Client on request.

### 3.1. RFQ (Request-for-Quote)

The primary method of dealing in financial instruments offered to Clients is the request-for-quote method (RFQ). An RFQ always is a request for a "firm" and hence tradeable price or quote that can be traded at any time.

After receiving an RFQ from a Client, the Bank, in compliance with the best order execution policy, will price the product as quickly as possible and present the bid or offer to the Client, in order for the Client to decide whether to accept or reject the firm quote.

The response time of the Bank will be dependent on the type and liquidity of instrument that needs to be priced. The Client's response to the quote has to occur in a timely manner in order to secure the trade based on the presented bid or offer, especially in volatile markets, otherwise the price or quote needs to be refreshed by the trader in line with prevailing market conditions, which could result in terms of trade differing from the initial price or quote.

#### i. Request-for-Quote (RFQ) via Bloomberg Multilateral Trading Facility (BMTF)

The process to trade an RFQ via Bloomberg Multilateral Trading Facility (BMTF) is as follows: Intending to trade in a financial instrument the Client posts an RFQ for such financial instrument on the BMTF, providing all necessary information for this specific instrument to be priced. Upon the Client releasing the RFQ, the Bank will then price the requested financial instrument – in line with the best execution factors – as quickly as possible and post a tradeable (i.e. firm) price to the Client via BMTF. Upon receipt of such firm tradeable price the Client may either accept or reject the quote. The technical as well as the formal requirements for a Client to trade via BMTF depend on the requirements determined by such trading venue. It is in the Client's sole responsibility to set up a legal relationship with the trading venue and comply with the trading venue's terms and conditions.

#### ii. Request-for-Quote (RFQ) via Voice

The general process to post an RFQ and trade via Voice is as follows: Intending to trade in a financial instrument the Client approaches the Bank for the purpose of placing an RFQ via telephone, providing to the Bank all the specific information for the financial instrument required in order to price and trade it. The Bank will thereupon – in line with the best execution factors – price the requested financial instrument as quickly as possible and send a tradeable (i.e. firm) price to the Client. Upon receipt of such firm price the Client may either accept or reject such quote.

#### **4. Trading Venues and Intermediaries**

##### **4.1.Types of Trading Venues**

The following types of trading venues are distinguished.

Trading venue	Definition according to MiFID II
Regulated Market	a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract
Multilateral Trading Facility (MTF)	a multilateral system which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with non-discretionary rules– in a way that results in a contract in respect of the financial instrument
Organized Trading Facility (OTF)	a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in respect of the financial instrument
Market Maker	Person willing to deal on own account by buying and selling financial instruments at prices defined by that person

Fees are not structured in a way which discriminates unfairly between trading venues.

##### **4.2. Trading Venue Selection Criteria**

The selection process for execution venues takes into consideration the following criteria, listed in order of relative priority, for each class of financial instruments when assessing and comparing the best possible results to be achieved for the Client order:

- Availability of a certain financial instrument
- Costs for producing and maintaining access to the trading venue
- Technical reliability of the access to the trading venue and the desired financial instruments
- Number of participants in the trading of a financial instrument
- Volume during daytime
- Availability of different order types
- Speed of reaction to an RFQ
- Speed of execution of a market order

- Likelihood of execution of a market order
- Costs for executing an order such as amount of fees per trade

#### **4.3. Execution Outside a Regulated Market**

When executing orders outside a trading venue, the Bank will mainly execute them against its own books (i.e. acting in its own name and on its own account) or through an intermediary.

The execution of Client orders outside a trading venue will be dependent on the asset class of the financial instrument and its liquidity

Prior to effecting a transaction, the Bank evaluates parameters of the Client's orders which are executed outside of a regulated market. For that purpose, the Bank applies the prevailing benchmark prices and appropriate valuation methods.

#### **4.4. Criteria for Selection of Intermediaries (Brokers)**

In certain cases, the Bank will execute Client orders through intermediaries (brokers).

Brokers normally are specialized in certain classes of financial instruments such as securities (bonds) and/or derivatives. Hence, as no broker provides the whole universe of all available financial instruments and there exists a specialization of brokers regarding certain classes of financial instruments the most important criterion for selecting a broker as intermediary is the availability of a desired financial instrument with a given broker.

The selection criteria for brokers according to their respective importance are as follows:

- Availability of financial instruments
- Availability of different order types
- Speed of reaction to an RFQ
- Speed of execution of an order
- Likelihood of execution of an order
- Amount of fees per trade.

### **5. Asset Classes of Financial Instruments Within Scope of Best Execution Policy**

With regard to the following classes of financial instruments the Bank provides execution services for Client orders and thus applies the best execution policy as laid out in this document.

#### **A. Debt instruments**

- a. bonds
- b. money market instruments

#### **B. Interest rate derivatives**

- a. swaps, forwards and other interest rates derivatives

#### **C. Currency derivatives**

- a. swaps, forwards and other currency derivatives

To the extent services relating to financial instruments are offered by the Bank, the following section explains on how the best execution factors and other quality criteria are applied by the Bank with regards to the execution and /or reception and transmission of Client orders in the best interest of the Client for each class of financial instrument.

### **5.1. Bonds**

The Bank offers to Clients corporate and government bonds. Clients can approach the Bank via Voice (telephone) and via Bloomberg Multilateral Trading Facility (BMTF).

Market orders are available for Clients. A market order is a Client order to purchase or sell a specific bond immediately at the current price prevalent in the market or at the best price available.

When the Bank executes Client orders the main execution factors are the price and the speed and likelihood of execution. The price is a result of ongoing correlation between supply and demand for a given bond. Speed and likelihood of execution are dependent on market conditions and liquidity for the bond. Liquid bonds can be priced faster than the less liquid bonds.

Bond prices bided or offered to a Client will always be net of any costs, which is referred to as a clean net price.

Costs will be communicated separately to the Client.

In a less liquid market it might be even impossible to execute a market order at a given time when the order size of the Client exceeds the sizes bided or offered in the market. In case the Bank faces such a situation, it will inform the Client about that fact without undue delay after recognizing it.

### **5.2. Money Market Instruments**

The Bank offers to Clients standardized money market instruments such as treasury bills and commercial papers and repo agreements.

Market orders are available for Clients. A market order is a Client order to purchase or sell a specific financial instrument immediately at the current price prevalent in the market or at the best price available.

Clients can approach the Bank only via Voice (telephone). The mode of dealing is Request-for-Quote (RFQ) only. When the Bank executes Client orders the main execution factors are the price and the speed of execution. The price is a result of ongoing confrontation between supply and demand for a given financial instrument. The price is a result of ongoing correlation between supply and demand for a given instrument. Speed and likelihood of execution are dependent on market conditions and liquidity for the financial instrument. Liquid instruments can be priced faster than less liquid instruments.

Prices bided or offered to a Client will always be net of any costs, which is referred to as a clean net price.

Costs will be communicated separately to the Client.

In a less liquid market it might be even impossible to execute a market order at a given time when the order size of the Client exceeds the sizes bided or offered in the market. In case the Bank faces such a situation, it will inform the Client about that fact without undue delay after recognizing it.

### 5.3. Interest Rate Derivatives

The Bank offers different variants of interest rate swaps to Clients. The following products are available to Clients: interest rate swap, cross currency swap and forward rate agreement for selected currencies.

Market orders are available for Clients. A market order is a Client order to purchase or sell a specific financial instrument immediately at the current price prevalent in the market or at the best price available.

Clients can approach the Bank only via Voice (telephone). The mode of dealing is Request-for-Quote (RFQ) only.

When the Bank executes Client orders the main execution factors are the price and the speed of execution. The price is a result of ongoing correlation between supply and demand for a given financial instrument. Speed and likelihood of execution are dependent on market conditions and liquidity for the financial instrument.

Prices bided or offered to a Client will always be net of any costs, which is referred to as a clean net price.

Costs will be communicated separately to the Client.

### 5.4. Currency Derivatives

The Bank offers to its Clients FX swaps and FX forwards.

Clients can approach Markets and Investment Banking in the following ways: via telephone or via Bloomberg Multilateral Trading Facility (BMTF). The mode of dealing is Request-for-Quote (RFQ) only, and transactions in the aforementioned instruments cannot be dealt with or received in any other way.

Market orders are available for Clients. A market order is a Client order to purchase or sell a specific financial instrument immediately at the price prevalent in the market or at the best price available.

When the Bank executes Client orders the main execution factors are the price and the speed of execution. The price is a result of ongoing correlation between supply and demand for a given financial instrument. Speed and likelihood of execution are dependent on market conditions and liquidity for the financial instrument.

Prices bided or offered to a Client will always be net of any costs, which is referred to as a clean net price.

Costs will be communicated separately to the Client.

### 5.5. Risks Associated with Financial Derivatives

All financial derivatives are exposed to risks of their underlying financial instrument.

The most common risks include:

- i. Counterparty credit risk – a category of risk which is affected by fluctuations in market prices (e.g. in swaps, forwards) and can be associated with wrong-way risk events, where exposure increases as the counterparty credit quality deteriorates.
- ii. Settlement risk – the possibility that a transaction will not be effected according to the terms of the trade agreement. Settlement risk occurs when there is a time delay in exchanging cash or other assets. Settlement risk thus includes credit, market and liquidity risk. Credit risk occurs when the counterparty does not deliver a security or asset after the first party has already paid or delivered the security or asset as per agreement; market risk occurs due to a delay in settling a transaction, which may result in trading losses and liquidity risk occurs in cases when a counterparty does not deliver the contractual value until after the settlement date.

iii. Volatility risk – is defined as an adverse change in market prices of certain positions due to changes in market expectations of future price volatility of that position.

## **6. Costs and Fees**

Order execution fees are presented further below.

- Trading venue fees: fees published by a selected trading venue, arising in case of a direct access to the market.
- Brokerage fee: Unless the Bank has a direct access to the market, fee for accessing market is payable to brokers
- Settlement fees: Fees payable to external intermediaries and custodians for settlement and custody of financial instruments.
- Bank fees: these fees are disclosed as own costs.

The Bank discloses total costs on its web site <https://priips.rba.hr/>

## **7. Disclosure**

In keeping with the Capital Market Act, the Bank has a duty to make public, on an annual basis, for each class of financial instruments, the top five trading venues in terms of trading volumes in the preceding year, and information on the quality of execution obtained

The Bank will make public the aforementioned information on its web page [www.rba.hr](http://www.rba.hr).

## **8. Annex – Trading Venues**

Financial instrument	Execution Venue	Code (MIC)	Access
Securities	Bank		Direct
	Bloomberg Multilateral Facility	BMTF	Direct
Interest rate derivative/ Interest rate swap	Bank		Direct
FX swap	Bloomberg Multilateral Facility	BMTF	Direct
	Bank		Direct
	ICAP Broker	IMFD	Intermediary
	BGC Broker	BGCO	Intermediary
	TULET	TPRO	Intermediary

FX forward	Bloomberg Multilateral Facility	BMTF	Direct
	Bank		Direct
Cross currency swap	Bloomberg Multilateral Facility	BMTF	Direct
	ICAP Broker	IMFD	Intermediary
	BGC Brokers	BGCO	Intermediary
	TULET Brokers	TPRO	Intermediary
	Bank		Direct
Forward rate agreement	Bank		Direct
Repo agreements	Bank		Direct

## ORDER EXECUTION POLICY FOR BROKERAGE CLIENTS

### 1. Introduction

Client Order Execution Policy (hereinafter: Policy) laid down in this Document of the Bank regulates the execution and transmission of orders for the purchase or sale of financial instruments for Brokerage Clients in Raiffeisenbank Austria d.d. (hereinafter the Bank). This Policy provides information on the venues in which the Bank generally executes Client orders.

The main goal of this Execution Policy is to obtain on an on-going basis the best possible result for Clients of the Bank. The Policy defines the specific parameters that the Bank takes into consideration when executing, accepting and transmitting or routing orders to third parties or intermediaries, describes criteria which affect the choice of specific execution venues and provides information on aggregation and allocation of Client orders.

This Policy defines the criteria which enable that the most favorable result should be achieved in as many cases as possible.

The signing on the Agreement by the Client constitutes the Client's consent to the Policy, therefore, prior to signing the Agreement and accepting the Policy, the Client is advised to assess and determine whether this Policy is acceptable to it.

The Policy is a constituent part of the General Terms and Conditions of Brokerage and Custody Service (hereinafter General Terms and Conditions) and it is available on the Bank's web page [www.rba.hr](http://www.rba.hr), and any amendments to the Policy will be communicated by the Bank to the Client in due time in accordance with the mentioned General Terms and Conditions.

### 2. Taking Effect

The Execution Policy of Raiffeisenbank Austria d.d. takes effect on 09.06.2023.

### 3. Definitions

The following terms used in this Client Order Execution Policy have the following meanings, unless implied otherwise by the context:

<b>Bank</b>	Raiffeisenbank Austria d.d.
<b>Stock Exchange</b>	„Zagrebačka burza d.d.” (Zagreb Stock Exchange) or other organized market licensed by the competent regulatory body
<b>Price</b>	unit price for a single unit quantity of Financial Instruments to which the Order relates
<b>Depository</b>	a designated depositary, except SKDD, authorized to maintain accounts to/from which the Financial Instruments are delivered
<b>Financial Instrument</b>	an unequivocally, clearly and precisely defined Financial Instrument to which the Order relates
<b>HANFA</b>	Croatian Financial Services Supervisory Agency
<b>Client</b>	one or more legal or physical persons or assets without legal personality, which make an order agreement with the Bank and which originate a single Order
<b>Quantity</b>	a specified number of Financial instruments referred to in the Order
<b>Multilateral Trading Platforms (MTP)</b>	a multilateral system managed by the investment company or market operator, who connects or facilitates connection between buy offers and sell offers of third-party financial instruments in the system and according to pre-defined and non-discretionary rules so that a contract is formed

<b>Order</b>	a unilateral declaration of will of the Client directed to, and accepted by, the Bank to execute a certain trade in a specific Financial Instrument in the Bank's name and on behalf of the Client
<b>Market Maker</b>	an individual participant of an exchange that continuously buys and sells securities for its own account, using their own funds at prices they set themselves
<b>OTC Transaction (over-the-counter)</b>	any transaction in securities outside formal exchanges which can, but need not, be listed on a formal exchange or MTP
<b>Organized Trading Platforms (OTP)</b>	a multilateral system, which is not a formal exchange or MTP, that allows connection within the system between buy offers and sell offers for selling bonds, structured finance products, emission allowances or derivatives of multiple interested third parties so that a contract is formed
<b>Systematic Internaliser (SI)</b>	an investment firm that, without managing a multilateral system, trades for its own account, by executing Clients' orders outside a formal exchange, MTP or OTP, on an organised, frequent, systematic and significant basis.
<b>SKDD</b>	„Središnje klirinško depozitarno društvo d.d.“ (Central Depository and Clearing Company) having its registered office in Zagreb, Heinzelova 62a, central place of settlement for the Zagreb Stock exchange
<b>SKDD-CCP</b>	The central counterparty SKDD-CCP Smart Clear d.d., Zagreb Heinzelova 62a, local counterparty for the clearing of transactions which are eligible for contractual settlement on the Croatian market. Until the Client selects and confirms the account type, the Bank clear all Client transactions through an omnibus account that the Bank opened in its own name on behalf of the Client in SKDD-CCP.
<b>Agreement</b>	Agreement on financial instrument buy or sell order
<b>Organized Market</b>	a multilateral system, which in the system and according to pre-defined and non-discretionary rules, connects or facilitates connection between buy offers and sell offers of third-party financial instruments so that a contract is formed, with securities listed for trading in accordance with the rules of the respective system and/or within the system, provided that the organized market and/or the market operator running or managing it is duly authorised and operates regularly
<b>CMA</b>	Capital Markets Act (Official Gazette no. 65/2018, 17/2020 i 83/2021) as amended and supplemented from time to time

The term Client implies both singular number and plural number of the noun.

#### 4. Scope of application

##### 4.1.Clients

The Execution Policy applies to orders of retail and professional Clients of the Bank. The Bank will also act in accordance with the provisions of this Policy in respect of the Orders originated by eligible counterparties, however without being committed to the achievement of the best result.

##### 4.2. Services and Products

The Execution Policy applies in cases when the Bank executes orders in its own name on behalf of Clients as well as when orders are transmitted to intermediaries for execution.

## 5. Client Instructions

The Bank accepts general as well as order-specific instructions given by the Client and relating to the execution or transmission of the Client's Orders.

In the case that the Client gives a specific instruction, the Bank will execute the Order in accordance with the instruction given. However, in doing so, the Bank may be forced to diverge from its Execution Policy. In such cases, the Bank is exempted from compliance with its Execution Policy.

The Bank warns its Clients that by providing specific instructions for order execution or transmission, the Bank may be prevented from taking certain steps which are defined in the Execution Policy and which the Bank has deemed to be necessary in order to achieve the best possible result on a consistent basis. Execution of the Order upon the Client's express instruction constitutes compliance by the Bank of its obligation to achieve the best result, even if the result of executing such Order may not be the most favorable to the Client in a specific case.

In the absence of such specific instructions from its Clients, the Bank will execute or transmit orders on behalf of its Clients as described below.

## 6. Order Placement and Handling

Clients have several possibilities for placing purchase or sale orders with the Bank. Some of these possibilities include placing orders via electronic interfaces, email, the Bloomberg terminal and/or telephone as well as placing orders in person at the Bank's branches/retail outlets.

In general, the Bank accepts an Order as a limit order.

Limit order is an order to buy or sell a certain quantity of financial instrument at the price specified in the order or at a more favorable price. In case a limit order to buy or sell financial instruments listed in a regulated market can not be effected immediately, the Bank will place such order in the trading system of a regulated market or MTF, without delay, unless the Client has expressly instructed otherwise.

In the case that the Client does not specify any specific order supplement the Bank will execute the order as a limit order, with a time limit in an appropriate market according to the trading hours of the relevant execution venue.

Limit order with a time limit in a specific market is defined with the identification code of the financial instrument, price specified in the Order, quantity, market and term of the Order. Such buy or sell orders will not be executed for a financial instrument with a different identification code than the one specified by the Client, or above or below the price limit, different market and after the expiration of validity defined by the Client.

A market is deemed to be specified if Market Identification Code (MIC) according to ISO 10383 is provided.

The validity of the order can be restricted by adding a time limit as follows:

1. Good-for-Day: The order is valid for the current trading day.
2. Good-till-Date: The order is valid until a specified date.
3. Good-till-Cancelled: The validity of the order is maximum 2 months from the date of placing the Order

The Order is valid until a date specified in the Order, maximum 2 months from the date of issuing the Order. On expiration of the validity period, the validity of the Order may not be extended and a new Order must be originated. The Order is valid until 24:00 hrs on the date specified as the term of the Order. The Bank provides no notification of expired Orders to the Client.

Orders placed outside of the Bank's usual business hours, i.e. on Saturdays, Sundays or holidays, cannot be handled before the following business day of the Bank and the respective trading venue. They will be handled in the order in which they are received.

Order routing to the relevant execution venue or to the intermediary will frequently take place electronically, or on occasion per telephone, electronic mail or the Bloomberg terminal (details are available in the Annex).

Clients of the Bank may originate orders for the following classes of financial instruments:

### **6.1. Transferable Securities**

Transferable securities are a class of securities which are negotiable in the capital market. This class includes:

1. Shares in companies and other securities equivalent to shares in companies, partnerships or other entities and depositary receipts in respect of shares
2. Bonds and other forms of securitized debt, including depositary receipts in respect of such securities
3. Any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or financial measures.

Instruments of payment are not considered to be transferable securities.

Bonds include government, corporate and municipal bonds.

### **6.2. Money Market Instruments**

Money-market instruments those classes of instruments which are normally dealt in on the money market, such as treasury bills, treasury notes, commercial papers, certificates of deposit, excluding instruments of payment.

### **6.3. Derivatives**

The derivatives category includes options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, commodities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash; climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event; options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled; options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in sub point 3 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments; Derivative instruments for the transfer of credit risk; Financial contracts for differences, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market and/or an MTF or on an OTF; Emission allowances consisting of any units recognized for compliance with the laws governing environment protection (emissions trading scheme).

### **6.4. Units in Collective Investment Undertakings**

Unit in Collective Investment Undertaking is:

1. A collective investment undertaking which has been authorized by the HANFA in keeping with the act governing the establishment and operation of open-end investment funds with a public offering and management companies, and in keeping with the act governing the establishment and operation of alternative investment funds and the managers of such funds.

2. A collective investment undertaking which has obtained authorization in a Member State and which fulfills, under the laws of the respective home Member State, the requirements laid down in Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010,  
any other foreign collective investment undertaking, including undertakings other than those set out in line 2 of this section, and collective investment undertakings authorized in a third country.

## 6.5. Emission Allowance

Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EZ (scheme for greenhouse gas emission allowance trading) is a financial instrument as defined under Section C, of Annex I. to the DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, or trading in emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC.

Emission allowance (European Union Allowance, EUA) is the right to emit one tonne of carbon dioxide (CO<sub>2</sub>) equivalent during a specified period, which shall be transferable in accordance with the provisions of applicable regulations.

## 7. Order attributes

To place an order, the Client may choose from various order attributes, which have the following meanings:

<b>Market Order</b>	An "at market" – the entire order will be executed as quickly as possible (immediately) at the best price available at the moment. The validity of a market order is good-for-day.
<b>Limit Order</b>	Order in which the price is set. The order is executed at the price set in the order or at a more favorable price.
<b>Stop Market</b>	With a stop market order (stop-loss and stop-buy) the Client instructs the Bank to buy (sell) a financial instrument at market as soon as the rate reaches or moves below (above) the stop price. The actual price received by the Client may diverge significantly from the chosen stop price.
<b>Stop Limit Order</b>	With a stop limit order (stop-loss and stop-buy) the Client instructs the Bank to buy (sell) a financial instrument as soon as the rate reaches or moves below (above) the stop price. Once a predefined activation price is reached or exceeded, the stop order is automatically placed at the market as a limit order.
<b>Auction Only Order</b>	The execution of the order shall only take place in an auction of any type or in an auction of specific type: 1. Opening Auction Only - the order is valid in opening auctions only. 2. Closing Auction Only: The order is valid in closing auctions only. 3. Auction Only: The order is valid in opening auctions, midday auctions, closing auctions and auction modality.
<b>All Or None (AON) Order</b>	With an AON order, the Client instructs the Bank to execute the order only in whole. If full execution is not achieved until the end of the validity period, the order is cancelled. (Note: the Client will not be notified of the cancellation).

<b>Fill Or Kill (FOK) Order</b>	With an FOK order, the Client instructs the Bank to execute the order immediately and in whole. If immediate and full execution is not possible, the order will be cancelled (Note: The Client will not be informed of the cancellation)
<b>Immediate Or Cancel (IOC) Order</b>	With an IOC order, the Client instructs the Bank to execute the order immediately, in whole or partially, thereby creating a possibility for partial execution. Those portions of the IOC order that are not executed immediately will be cancelled. (Note: The Client will not be informed of the cancellation). The validity of the IOC order is good-for-day.
<b>VWAP Order</b>	VWAP (Volume-Weighted Average Price) is the ratio of the value traded to the total volume traded over a particular time horizon. VWAP orders are good-for-day at market price.
<b>Volume Order</b>	With a 1/3 (or 1/2, 1/4) volume order, the Client instructs the Bank to buy or sell one third (or one half, one quarter) of the total traded volume since the Order origination date, at a defined execution venue. Volume orders are good-for-day at market price.
<b>Iceberg Order</b>	The overall volume of an iceberg order is only partially visible in the order book at the Stock Exchange. When placing an iceberg order, the Client has to define the overall volume, the peak volume as well as the price limit. The minimum peak volume depends on the characteristics of the execution venue to which the order is routed.
<b>Discretionary Order</b>	With a discretionary order, the Client authorizes the Bank to adjust the order execution to conditions prevailing at the Stock Exchange (for instance, to place the order in tranches and/or over a period of several days and/or to change the limit defined by the Client, i.e. the price to be above the limit to sell or below the limit to buy).

The Bank will accept the orders listed above if such order types are accepted by the execution venue or the intermediary to which the Bank directs the order.

The Bank may also accept orders with attributes other than those defined in this section if the respective orders are accepted at the execution venue or by the intermediary to which the Bank transmitted the order.

## 8. Execution factors

When executing orders in its name and on behalf of the Client, the Bank will take into consideration all relevant execution factors to determine the best result. Those factors include:

- Price of the financial instrument:
- Speed of execution
- Likelihood of execution and settlement
- Transaction costs
- Size and nature of the order

The Bank shall determine the relative importance of these factors by taking into account the following criteria too:

- the characteristics of the Client (including categorization of the Client)
- the characteristics of the Client Order (limit order, market order, etc.)
- the characteristics of the Financial Instruments
- the availability and characteristics of permitted trading venues to which the order can be directed to be executed.

The Bank considers the order execution in regulated markets and on MTF-s in which the Bank participates directly to be the best execution for the Client with respect to the total transaction cost.

If there is a suspension of trading (kill-switch) due to the Bank's default on the obligations towards the Central Counterparty (SKDD-CCP), all orders from the Bank (Bank's own orders and Client orders) placed on the market will be cancelled regardless of the account type (house account, individual account, omnibus account). When the Bank performs the obligation, the Central Counterparty will send a request to the market to lift the trading suspension, and the Clients' open orders will be placed on the market again as they were received in the Order book. Should

these events occur, the Bank shall not be liable for any losses arising from the non-execution of the Client orders on the market and/or the Client's not being able to cancel or modify the order, etc.

## **8.1. Execution factors in respect of Client classification**

### **8.1.1. Retail Clients**

The best possible result for a retail Client shall be assessed on the basis of the total consideration (i.e. total transaction cost) that may be obtained from the sale or spent for the purchase. In a purchase order, the costs of execution which are to be borne by the Client will be added to the price of the Financial Instrument after the total consideration is calculated. In a sell order, the price of the Financial Instrument is calculated net of execution costs which are to be paid by the Client.

### **8.1.2. Professional Clients**

The Bank shall give priority to the total consideration as well as to the likelihood of execution and settlement for professional Clients.

## **8.2. Execution standards for specific financial instrument categories**

### **8.2.1. Shares, ETF and Certificates**

When trading in shares, ETF and certificates, the following factors are taken into consideration:

Retail Clients:

<b>Criteria</b>	<b>Description</b>
<b>Price</b>	Price of the Financial Instrument depends to a large extent on the price quality of the respective execution venue. The Bank will assess the price quality on the basis of the execution venue's liquidity.
<b>Costs</b>	Execution related costs are set out in the Brokerage and Custody Service Fee Schedule. Costs are stated in a gross amount as including fees of the stock exchange, Central Depository, Central Counterparty, broker to which the order is directed for execution and custody transaction costs in case the Client settles a transaction in a custody account at the Bank, but excluding any taxes, duties, third party fees and other charges or costs arising in connection with the provision of order execution service.. In addition, when executing large-scale orders (the relevant threshold for qualification as a large-scale order depends on the financial instrument and the market) the Bank takes also into account indirect implicit costs, for instance a potential market impact of the transaction or the spread.

The Bank takes additional order execution aspects into account in the following situations:

1. In the case the Order is executed outside of the marketplace (higher priority is attributed to the likelihood of execution and security of settlement in such cases)
2. In the case that the retail Client order is of a significant size (in such cases the likelihood of execution has an increased importance) or
3. in the case that the financial instrument requested by the Client requires execution outside of the market of Croatia or OECD member state and/or an over-the-counter transaction outside of the Stock Exchange (in such cases increased importance is placed on settlement security).

**Professional Clients**

<b>Criteria</b>	<b>Description</b>
<b>Likelihood of execution</b>	The Bank shall take into account the short-term executability of an order at an execution venue. When executing orders the Bank shall assess the likelihood of execution on the basis of the prevailing order book configuration in the trading system of the Stock Exchange at the time of execution.
<b>Likelihood of settlement</b>	The likelihood of settlement is closely linked to the security of settlement of the respective execution venue. The Bank considers the likelihood of settlement in the markets of the Republic of Croatia and OECD member states to be high.

Speed only becomes a decisive order execution aspect when all above mentioned order execution aspects have been fulfilled.

The Bank may decide to postpone the execution of an order, if this appears to be the most suitable execution for a specific order (e.g. for illiquid products).

If the Client prefers a different prioritization of the order execution aspects, a specific instruction to this respect should be provided to the Bank.

### **8.2.2. Bonds and Bills**

#### **Retail Clients:**

<b>Criteria</b>	<b>Description</b>
<b>Price</b>	Price of the Financial Instrument depends to a large extent on the price quality of the respective execution venue, or liquidity of the Financial Instrument if the transaction is executed outside of the market.
<b>Costs</b>	Execution related costs are set out in the Brokerage and Custody Service Fee Schedule. Costs are stated in a gross amount as including fees of the stock exchange, Central Depository, Central Counterparty, broker to which the order is directed for execution and custody transaction costs in case the Client settles a transaction in a custody account at the Bank, but excluding any taxes, duties, third party fees and other charges or costs arising in connection with the provision of order execution service.

In the case that the financial instrument requested by the Client requires execution outside of the market of Croatia or OECD member state and/or an over-the-counter transaction outside of the Stock Exchange, increased importance is placed on settlement security.

#### **Professional Clients:**

<b>Criteria</b>	<b>Description</b>
<b>Likelihood of execution</b>	The Bank shall take into account the short-term executability of an order at an execution venue. When executing orders the Bank shall assess the likelihood of execution on the basis of the prevailing order book configuration in the trading system of the Stock Exchange at the time of execution.
<b>Likelihood of settlement</b>	The likelihood of settlement is closely linked to the security of settlement of the respective execution venue. The Bank considers the likelihood of settlement in the markets of the Republic of Croatia and OECD member states to be high.

The Bank may decide to postpone the execution of an order, if this appears to be the most suitable execution for a specific order (e.g. for illiquid products).

If the Client prefers a different prioritization of the order execution aspects, a specific instruction to this respect should be provided to the Bank.

### **8.2.3. Derivatives**

#### **Professional Clients:**

Best result for the Client is assessed by taking into account the speed of execution.

<b>Criteria</b>	<b>Description</b>
<b>Speed of execution</b>	The Bank takes into account the time required to direct the Order to the intermediary for execution.
<b>Likelihood of settlement</b>	Likelihood of execution and settlement and the price only become a decisive order execution aspect when the speed of execution criterion has been fulfilled.

If the Client prefers a different prioritization of the order execution, a specific instruction to this respect should be provided to the Bank.

### **8.2.4. Units in Collective Investment Undertakings**

#### **Retail Clients:**

<b>Criteria</b>	<b>Description</b>
<b>Costs</b>	Execution related costs are set out in the Brokerage and Custody Service Fee Schedule. Costs are stated in a gross amount as including fees of the stock exchange, Central Depository, Central Counterparty or the broker to which the order is directed for execution and custody transaction costs in case the Client settles a transaction in a custody account at the Bank, but excluding any taxes, duties, third party fees and other charges or costs arising in connection with the provision of order execution service.

In the case that the financial instrument requested by the Client requires execution outside of the market of Croatia or OECD member state and/or an over-the-counter transaction outside of the Stock Exchange, increased importance is placed on settlement security.

#### **Professional Clients:**

Best result for the professional Client is assessed by taking into consideration the costs arising for the Client when executing the Order.

<b>Criteria</b>	<b>Description</b>
<b>Cost</b>	Execution related costs are set out in the Brokerage and Custody Service Fee Schedule. Costs are stated in a gross amount as including fees of the stock exchange, Central Depository, Central Counterparty or the broker to which the order is directed for execution and custody transaction costs in case the Client settles a transaction in a custody account at the Bank, but excluding any taxes, duties, third party fees and other charges or costs arising in connection with the provision of order execution service.

In the case that the financial instrument requested by the Client requires execution outside of the market of Croatia or OECD member state and/or an over-the-counter transaction outside of the Stock Exchange, increased importance is placed on settlement security.

If the Client prefers a different prioritization of the order execution aspects, a specific instruction to this respect should be provided to the Bank.

### **8.2.5. Emission Allowances**

#### **For Retail Investors:**

<b>Criteria</b>	<b>Description</b>
<b>Price</b>	Price for a financial instrument largely depends on the quality of the price at the respective execution venue. The Bank assesses the price quality based on the liquidity of the execution venue.
<b>Costs</b>	Costs related to execution are stated in the Fees for Brokerage and Custody Services. Costs are declared in gross amount i.e. they include the costs of the broker to whom an order is forwarded for execution and the transaction costs, if any, of third-party fees and other charges, or expenses arising in connection to providing the service of order execution.

In the following situations, the Bank takes into consideration also other criteria for Order execution:

1. considering that an Order is executed outside the market (in such cases, more importance is given to probability of execution and certainty of settlement)
2. if an Order is of significant size (in such cases, more importance is given to probability of execution).

#### **For Professional Investors:**

<b>Criteria</b>	<b>Description</b>
<b>Price</b>	Price for a financial instrument largely depends on the quality of the price at the respective execution venue. The bank assesses the price quality based on the liquidity of the execution venue.
<b>Probability of execution</b>	The Bank takes into consideration the current possibility of Order execution at the respective execution venue. When executing an Order, the Bank assesses the probability of execution on the basis of intermediaries' offers.
<b>Probability of settlement</b>	Probability of settlement is strictly related to security of settlement at the respective execution venue.

Speed becomes the deciding criterion of Order execution only after all the above criteria for Order execution are met.

The Bank can decide to postpone Order execution if this seems to be the most appropriate way to execute an Order (e.g., if waiting for a better offer from the intermediary).

If a Client wishes a different method of prioritization with respect to the Order execution criteria, special instruction shall be delivered to the Bank in connection to this matter.

## 9. Execution Venues and Intermediaries

In general, the Bank may execute an order in the following execution venues:

- Regulated Markets (RM)
- Multi-Lateral Trading Facility (MTF)
- Organised Trading Facility (OTF)
- Systematic Internaliser (SI)
- Market Maker
- Other Liquidity Provider or other person in a third country performing a role equivalent to those listed above
- Over-the-Counter (OTC)

Selection of execution venues and intermediaries:

The Bank executes Orders either directly at an execution venue or alternatively transmits orders to an intermediary (third party or broker) for execution. If an order is transmitted to an intermediary, the execution will be subject to the application of the intermediary's execution policy which will be made available to the Client on request. If an order is directed to an intermediary operating in markets of the countries where implementation of an order execution policy is not mandatory, the Bank does not warrant to the Client that best execution of the Order will be obtained.

When the Bank receives and/or executes Client's Order to buy or sell a financial instrument quoted in two or more execution venues, unless the Client gives a specific instruction to the Bank to do otherwise, the Bank will execute such order in a regulated market or a multilateral trading facility (MTF) in which the Bank is a direct member. Thus the Bank ensures best execution for the Client's order as it believes to achieve the most advantageous overall transaction cost, direct control of the speed of execution and likelihood of execution, information regarding the speed and likelihood of settlement and other circumstances related to the execution of the Client's order.

When selecting intermediaries, the Bank will take into consideration their approach to order execution, determine whether such intermediary enables the Bank to act in accordance with this Policy, and monitor execution quality provided by the intermediary. The Bank considers the following selection criteria: intermediary's compliance with the Order Execution Policy and the principle of best execution of the Client's orders; the number of markets to which the intermediary has a (direct and/or indirect) access and the trading volume in those markets; availability of financial instruments, availability of different order types; likelihood of execution of an order; speed of execution of an order; financial strength, reputation and stability of the intermediary.

Based on the above-described prioritization of criteria, orders are preferentially executed in the respective main marketplace, another regulated market or a multilateral trading facility, as execution is regularly possible here in accordance with the weighted execution criteria, taking into account existing stock exchange memberships and market liquidity. The main marketplace shall be the stock exchange where a large trading volume has been achieved. Orders are normally executed on the respective leading stock exchanges of the country concerned. Sales of existing positions in Financial Instruments are executed in the respective buying Stock Exchange, or Stock Exchange where the buy transaction has been executed. If Financial Instruments reach the depository, or custody account, by delivery, the sale takes place at the Stock Exchange which is specified at the time of delivery, or otherwise at the main marketplace.

If the Client places an order to trade in a financial instrument and specifies the execution venue, the Client will be deemed to have placed an Order with a specific instruction in respect of execution venue. The Bank deems the execution of such Order in accordance with the specific Client instruction to constitute the fulfillment of the best result obligation. When selecting an execution venue, the Client is advised to take into account fees relating to the specific execution venue, as disclosed in the fee schedule, trading volume in the specific market, order size and type, availability and characteristics of the financial instrument and other criteria.

The list of execution venues of the Bank is regularly updated, and it constitutes part of this Policy and is attached as an annex hereto.

The quality of execution and settlement of the chosen intermediaries are regularly monitored by the Bank.

With respect to transferable securities, the Bank has direct and indirect (via intermediaries) access points to execution venues. A list of those execution venues is provided in the Annex. Transactions in transferable securities (equities, bonds) are normally executed via the Stock Exchange. When executing bond transactions, the likelihood of execution is taken more strongly into consideration, in addition to the total consideration criterion.

Bond transactions which are executed outside of the Stock Exchange shall be executed upon acceptance of the official quotes of the Bank, Raiffeisen Bank International AG (in the case that the Bank does not provide an official quote for the respective bond) or of a third party in the case that the Bank and/or Raiffeisen Bank International AG do not provide an official quote for the respective bond.

When the Bank has no direct access to an execution venue, orders for transferable securities transactions will be transmitted by the Bank, depending on the specific execution venue, to intermediaries Raiffeisen Bank International AG, Raiffeisen Centrobank AG, Raiffeisen Banka d.d., Raiffeisen banka a.d., Raiffeisen BANK d.d. Bosnia and Herzegovina, Raiffeisen Capital a.d., Erste Bank AD Podgorica, CG Broker-Diler AD Podgorica, Komercijalna banka AD Skopje and NLB Tutunska Banka.

Transactions in money market instruments (for instance, commercial papers) are normally executed at the Stock Exchange. In such cases the likelihood of execution is taken more strongly into consideration, in addition to the total consideration criterion.

Transactions in treasury bills, notes and commercial papers outside of the Stock Exchange are executed upon acceptance of the official quotes of the Bank.

The Bank regularly executes transactions in derivative products which are listed on Stock Exchanges or multilateral trading facilities (MTF) at the respective Stock Exchange (or at the respective multilateral trading facility) as quickly as possible via intermediary Raiffeisen Bank International AG.

Transactions in certificates and warrants issued by Raiffeisen Bank International AG can be executed by the Bank by subscribing to the primary issue within the subscription period. The subscription period and price are disclosed in the terms of the specific issue. Transactions in certificates and warrants issued by Raiffeisen Bank International AG on the secondary market are executed by the Bank by accepting the offer of Raiffeisen Bank International AG or via relevant stock exchange (Vienna Stock Exchange).

Transactions with certificates and warrants issued by other issuers are executed at the respective market. In certain cases, a transaction may be executed directly with the respective issuer (over-the-counter). An over-the-counter execution will be the preferred execution form if the liquidity available on the respective market is not sufficient.

The Bank executes transactions with emission allowances (EUA) outside the organized market (OTC) through the intermediary Commerzbank AG and/or J.P. Morgan SE.

Orders for purchase and sale of units in collective investment undertakings (funds) are executed at their net asset value. The Bank receives and directs orders for purchase and sale of units to intermediary Raiffeisen Invest d.o.o. društvo za upravljanje which manages the investment fund, or to intermediary Raiffeisen Bank International AG, which transmits the received orders for execution to the fund's management company or to its depository bank, depending on who the order relates to. The Bank has concluded a distribution agreement with those intermediaries and may receive a consideration for its services from the collective investment undertakings. Fees are disclosed in documents which are made available to the Client prior to entering into a transaction deal.

With respect to simple investment funds managed by Raiffeisen Invest d.o.o. the order execution policy is defined in the Prospectus and Rules of the Fund, in section "Procedure and Terms of Issue and Redemption of Units". Units

in funds are issued and redeemed on a specific date at the price which is not specified or known but determinable at the time the request for issuance or redemption of units is executed. Such orders are subject to application of the General Terms and Conditions for Brokerage and Custody Transactions, which constitute part of the Order and are available on the Bank's web site: <https://www.rba.hr/stednja-i-ulaganje/brokerske-usluge/dokumentacija>.

The Clients can participate, through Bank as a broker, in financial instrument issues in accordance with the conditions defined in the prospectus or other documents. The Bank transmits the Client's orders to the respective lead manager, co-lead manager or issuer, who will allot the order in accordance with the conditions of the subscription. The Bank may also direct the Client's order to a broker who will transmit it to the lead manager, co-lead manager or issuer to make the allotment.

## **10. Execution Outside a Regulated Market or Multilateral Trading Facility – (OTC)**

Client orders may be executed outside a regulated market or multilateral trading facility (MTF) in accordance with the prior express consent given by the Client. By entering into the Agreement, the Client gives an express approval to the Bank to execute any future transactions in respect of the Order outside of the regulated market or multilateral trading facility (MTF) too, unless the Client expressly withdraws its consent for such execution at the time of placing the Order.

Notwithstanding the Client's instruction, a specific Order of the Client may be executed outside a regulated market to the extent that the execution and settlement would not otherwise be guaranteed. When executing the Order in such way the Bank shall act in accordance with the procedure described above.

Order execution outside a regulated market or multilateral trading platform (MTP) is linked to a lack of continuous and sufficient offer and demand with regard to a particular financial instrument, counterparty risk, settlement risk, possible additional expenses (e.g., wider bid/ask spread than usual) which are borne by the Client, or if a particular financial instrument is not listed on a regulated market or MTP.

Notwithstanding the Client's request to execute the Order outside a regulated market or multilateral trading facility (MTF), the Bank may also refuse the execution without giving reasons, especially in cases when a financial instrument is listed in a regulated market or multilateral trading facility (MTF).

## **11. Aggregation of Orders**

When executing orders, the Bank may pool a Client's order with other Clients' orders into one single order and subsequently execute this combined order. This process is called aggregation. It is possible to aggregate orders to purchase or sell financial instruments of a single issuer with the identical conditions (price, order type). The Bank may place orders in this way if such placement in respect of the size shall not threaten the prospects for execution of the Client's Order.

When performing its obligations arising from the Order, the Bank has a duty to comply with the priority specified in the Order Book. For instance, if orders are combined and placed at the same price, and the quantity of the financial instruments is not sufficient for all orders to be executed, or if the combined orders are executed at different prices, the Client's order which was received earlier shall be executed first (in accordance with the priority defined in the order book), in keeping with applicable rules of the market in which the Order is placed.

If the Bank aggregates the Client's order with a transaction to be entered into for its own account and partially executes this block order, the Bank will give priority to the Client over its own transactions when allotting Financial Instruments of the aggregated transactions; however, if the Bank can conclusively demonstrate that the same favorable conditions would not have been possible without pooling the transactions, or that it had not otherwise been able to execute the Order at all, then the Bank will allot the transaction entered into on its own account on a pro-rata basis.

Aggregation will only be carried out in the case that it is a priori unlikely to work overall to the disadvantage of any Client whose order is to be aggregated. For instance, the Bank may aggregate orders to purchase and sell domestic and foreign Financial Instruments, in the Client's interest, in order to avoid increased settlement costs.

Nevertheless, the Bank emphasizes that it cannot be fully excluded that aggregation may work to the disadvantage of individual orders.

## **12. Assessment and Monitoring of Effectiveness of Execution Policy**

The Bank performs ongoing monitoring, at least on an annual basis, of the effectiveness of this Policy and conducts assessment on a regular basis as to whether the criteria laid down in the Policy ensure that the best result is obtained. The Bank will review, at least on an annual basis, the effectiveness of this Policy and revise and amend the Policy as required. In keeping with the provisions of Commission Delegated Regulation (EU) 2017/565 and provisions Commission Delegated Regulation (EU) 2017/576, the Bank makes public top five execution venues on its web site: <https://www.rba.hr/korisne-informacije/izvrsenja-financijskih-instrumenata/dokumentacija>

If this Policy is amended, the new Policy shall apply as of the date of entry into force, and all amendments shall be deemed to be accepted by the Client by giving the first order unless the Bank is notified otherwise by the Client.

## **13. Information on Execution Quality**

The Bank makes public, at least on an annual basis, for each class of financial instruments, the top five execution venues in terms of trading volumes in the preceding year. The publication is made on the Bank's web site: <https://www.rba.hr/korisne-informacije/izvrsenja-financijskih-instrumenata/dokumentacija>.

In order to ensure the quality of execution, the Bank uses secure, modern high-quality information technology. In keeping with relevant internal procedures the IT assesses security of the information system on a regular basis in the Bank with a view to identifying and eliminating deficiencies and improving security of the information system.

## **14. Extraordinary Circumstances**

Extraordinary circumstances, such as significant daily price fluctuations, information technology failures, or system or liquidity bottlenecks, may force the Bank to execute orders in a way that diverges from this Execution Policy and to select alternative methods to execute the Order (e.g. at an alternative execution venue). In such extraordinary cases the Bank will act in accordance with the fundamental principle of protecting the Client's best interest.

In case of difficulties with information systems, computer systems and network, system software and system data, application software and relevant information, input and output data generated by the information system, documentation, transmission media and other information system resources which secure the correct functioning of the system the IT of the Bank will have the responsibility. If the Bank is unable to place the order in accordance with the Policy due to extraordinary difficulties, the Bank will give respective notice to Clients through its web page, e-mail or phone and ensure business continuity as rapidly as possible in keeping with internal policies.

## **15. Annex – Execution Venues Overview**

In certain cases, the Bank may use other execution venues. The current list of available execution venues may differ from the list provided below, depending on the respective arrangements for the performance of service reached with an individual Client.

**FOR RETAIL INVESTORS**

Financial Instruments	Country	Execution Venue	Code(MI C)	Access
Shares in companies and other securities equivalent to shares in companies, partnerships or other entities and depositary receipts in respect of shares and any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities, indices or other financial measures.	Croatia	Zagreb Stock Exchange	XZAG	Direct
Austria	Austria	Vienna Stock Exchange (securities exchange)	XVIE	Intermediary
		Vienna Stock Exchange (official market)	WBAH	Intermediary
		Xetra Frankfurt	XETR	Intermediary
Germany	Germany	Eurex Germany	XEUR	Intermediary
		Frankfurt Stock Exchange (Floor)	XFRA	Intermediary
		Stuttgart Stock Exchange	XSTU	Intermediary
		München Stock Exchange	XMUN	Intermediary
		Berlin-Bremen Stock Exchange	XBER	Intermediary
		Düsseldorf Stock Exchange	XDUS	Intermediary
		Hannover Stock Exchange	XHAN	Intermediary
		Hamburg Stock Exchange	XHAM	Intermediary
		Swiss Stock Exchange	XSWX	Intermediary
		Scoach Switzerland	XQMH	Intermediary
Hungary	Hungary	Budapest Stock Exchange	XBUD	Intermediary
		Warsaw Stock Exchange	XWAR	Intermediary
Russia	Russia	Russia Stock Exchange	RTSX	Intermediary
Czech Republic	Prague Stock Exchange	XPRA	Intermediary	
Turkey	Istanbul Stock Exchange	XIST	Intermediary	
Slovakia	Bratislava Stock Exchange	XBRA	Intermediary	
Slovenia	Ljubljana Stock Exchange	XLJU	Intermediary	
Bulgaria	Bulgarian Stock Exchange – Sofia	XBUL	Intermediary	
Romania	Bucharest Stock Exchange	XBSE	Intermediary	
Greece	Athens Stock Exchange	XATH	Intermediary	
Ukraine	Kiev International Exchange	XKIS	Intermediary	
Serbia	Belgrade Stock Exchange	XBEL	Intermediary	
Estonia	Tallinn Stock Exchange	XTAL	Intermediary	
Latvia	Nasdaq OMX Riga	XRIS	Intermediary	
Lithuania	Nasdaq OMX Vilnius	XLIT	Intermediary	
Israel	Tel Aviv Stock Exchange	XTAE	Intermediary	
Italy	Milan Stock Exchange	XMIL	Intermediary	
United Kingdom	United Kingdom	London Stock Exchange	XLON	Intermediary
		Virt-X	XVTX	Intermediary
		BATS Europe	BATE	Intermediary
		CHI-X Europe	CHIX	Intermediary
		Nasdaq OMX Europe	NURO	Intermediary
		Turquoise	TRQX	Intermediary
		Markit BOAT	BOAT	Intermediary
Ireland	Ireland	Smartpool	XSMP	Intermediary
		Dublin Stock Exchange	XDUB	Intermediary
France	France	NYSE Euronext - EuronextPariz	XPAR	Intermediary
		NYSE Euronext - Alternext Paris	ALXP	Intermediary
		NYSE Euronext - Marche Libre Paris	XMLI	Intermediary
Netherlands	Netherlands	NYSE Euronext - Euronext Amsterdam	XAMS	Intermediary
		NYSE Euronext - Alternext Amsterdam	ALXA	Intermediary
		NYSE Euronext - traded, not listed Amsterdam	TNLA	Intermediary
		NYSE Arca Europe	XHFT	Intermediary

Financial Instruments	Country	Execution Venue	Code(MI C)	Access
Shares in companies and other securities equivalent to shares in companies, partnerships or other entities and depositary receipts in respect of shares and any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or financial measures.	Belgium	NYSE Euronext - Euronext Bruxelles	XBRU	Intermediary
		Aktietorget	XSAT	Intermediary
		Nasdaq OMX Nordic	XSTO	Intermediary
		Burgundy Nordic MTF	BURG	Intermediary
	Finland	Nasdaq OMX Helsinki	XHEL	Intermediary
		First North Finland	FNFI	Intermediary
	Norway	Oslo Bors ASA	XOSL	Intermediary
		Oslo Axess	XOAS	Intermediary
	Denmark	OMX Nordic Exchange	XCSE	Intermediary
		First North Denmark	XFND	Intermediary
	Spain	Mercado Continuo Espanol	XMCE	Intermediary
		Latibex	XLAT	Intermediary
		Bolsa de Madrid	XMAD	Intermediary
	United States of America	New York Stock Exchange	XNYS	Intermediary
		American Stock Exchange	XASE	Intermediary
		Nasdaq	XNAS	Intermediary
		Nasdaq NMS	XNMS	Intermediary
		OTC Bulletin Board	XOTC	Intermediary
		NYSE Arca	ARCX	Intermediary
		OTC Bulletin Board – other TC	OOTC	Intermediary
		Pink sheets OTC NQB	PINX	Intermediary
		Pink sheets Grey Market	PSGM	Intermediary
		Nasdaq Capital Market	XNCM	Intermediary
		Nasdaq/NGS - Global Select Market	XNGS	Intermediary
		Canada	XTSE	Intermediary
		TSX Venture Exchange	XTSX	Intermediary
	Singapore	Singapore Stock Exchange	XSES	Intermediary
	Hong Kong	Stock Exchange of Hong Kong	XHKG	Intermediary
	Japan	Osaka Securities Exchange	XOSE	Intermediary
		Tokyo Stock Exchange	XTKS	Intermediary
		Osaka Securities Exchange - Jasdaq	XJAS	Intermediary
	Australia	Australia Securities Exchange	XASX	Intermediary
	Bosnia and Hercegovina	Sarajevo Stock Exchange	XSES	Intermediary
		Banja Luka Stock Exchange	XBLB	Intermediary
	Montenegro	Montenegro Stock Exchange	XMNX	Intermediary
	Macedonia	Macedonian Stock Exchange	XMAE	Intermediary
Certificates manufactured by Raiffeisen Bank International AG	Austria	Raiffeisen Raiffeisen Bank International AG – systematic internaliser	RBIV	Direct
Emission allowances (EUA spot)		OTC	/	Intermediary
Bonds, bills and money market instruments	Croatia	Zagreb Stock Exchange	XZAG	Direct
	Bosnia and Hercegovina	Sarajevo Stock Exchange	XSES	Intermediary
		Banja Luka Stock Exchange	XBLB	Intermediary
	Montenegro	Montenegro Stock Exchange	XMNX	Intermediary
	Macedonia	Macedonian Stock Exchange	XMAE	Intermediary
	Other (accepting quote of the Bank or RBI)	OTC	/	

**FOR PROFESSIONAL AND QUALIFIED INVESTORS**

Financial Instruments	Country	Execution Venue	Code (MIC)	Access
Shares in companies and other securities equivalent to shares in companies, partnerships or other entities and depositary receipts in respect of shares and any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities, indices or other financial measures.	Croatia	Zagreb Stock Exchange	XZAG	Direct
Austria		Vienna Stock Exchange (securities exchange)	XVIE	Intermediary
		Vienna Stock Exchange (official market)	WBAH	Intermediary
Germany		Xetra Frankfurt	XETR	Intermediary
		Eurex Germany	XEUR	Intermediary
		Frankfurt Stock Exchange (Floor)	XFRA	Intermediary
		Stuttgart Stock Exchange	XSTU	Intermediary
		München Stock Exchange	XMUN	Intermediary
		Berlin-Bremen Stock Exchange	XBER	Intermediary
		Düsseldorf Stock Exchange	XDUS	Intermediary
		Hannover Stock Exchange	XHAN	Intermediary
		Hamburg Stock Exchange	XHAM	Intermediary
		Swiss Stock Exchange	XSWX	Intermediary
Switzerland		Scoach Switzerland	XQMH	Intermediary
		Budapest Stock Exchange	XBUD	Intermediary
Poland		Warsaw Stock Exchange	XWAR	Intermediary
Russia		Russia Stock Exchange	RTSX	Intermediary
Czech Republic		Prague Stock Exchange	XPRA	Intermediary
Turkey		Istanbul Stock Exchange	XIST	Intermediary
Slovakia		Bratislava Stock Exchange	XBRA	Intermediary
Slovenia		Ljubljana Stock Exchange	XLJU	Intermediary
Bulgaria		Bulgarian Stock Exchange – Sofia	XBUL	Intermediary
Romania		Bucharest Stock Exchange	XBSE	Intermediary
Greece		Athens Stock Exchange	XATH	Intermediary
Ukraine		Kiev International Exchange	XKIS	Intermediary
Serbia		Belgrade Stock Exchange	XBEL	Intermediary
Estonia		Tallinn Stock Exchange	XTAL	Intermediary
Latvia		Nasdaq OMX Riga	XRIS	Intermediary
Lithuania		Nasdaq OMX Vilnius	XLIT	Intermediary
Israel		Tel Aviv Stock Exchange	XTAE	Intermediary
Italy		Milan Stock Exchange	XMIL	Intermediary
United Kingdom		London Stock Exchange	XLON	Intermediary
		Virt-X	XVTX	Intermediary
		BATS Europe	BATE	Intermediary
		CHI-X Europe	CHIX	Intermediary
		Nasdaq OMX Europe	NURO	Intermediary
		Turquoise	TRQX	Intermediary
		Markit BOAT	BOAT	Intermediary
Ireland		Smartpool	XSMP	Intermediary
		Dublin Stock Exchange	XDUB	Intermediary
France		NYSE Euronext - EuronextPariz	XPAR	Intermediary
		NYSE Euronext - Alternext Paris	ALXP	Intermediary
		NYSE Euronext - Marche Libre Paris	XMLI	Intermediary
Netherlands		NYSE Euronext - Euronext Amsterdam	XAMS	Intermediary
		NYSE Euronext - Alternext Amsterdam	ALXA	Intermediary
		NYSE Euronext - traded, not listed Amsterdam	TNLA	Intermediary
		NYSE Arca Europe	XHFT	Intermediary

Financial Instruments	Country	Execution Venue	Code(MI C)	Access
Shares in companies and other securities equivalent to shares in companies, partnerships or other entities and depositary receipts in respect of shares and any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities, indices or other financial measures.	Belgium	NYSE Euronext - Euronext Bruxelles	XBRU	Intermediary
		Aktietorget	XSAT	Intermediary
		Nasdaq OMX Nordic	XSTO	Intermediary
		Burgundy Nordic MTF	BURG	Intermediary
	Finland	Nasdaq OMX Helsinki	XHEL	Intermediary
		First North Finland	FNFI	Intermediary
	Norway	Oslo Bors ASA	XOSL	Intermediary
		Oslo Axess	XOAS	Intermediary
	Denmark	OMX Nordic Exchange	XCSE	Intermediary
		First North Denmark	XFND	Intermediary
	Spain	Mercado Continuo Espanol	XMCE	Intermediary
		Latibex	XLAT	Intermediary
		Bolsa de Madrid	XMAD	Intermediary
	United States of America	New York Stock Exchange	XNYS	Intermediary
		American Stock Exchange	XASE	Intermediary
		Nasdaq	XNAS	Intermediary
		Nasdaq NMS	XNMS	Intermediary
		OTC Bulletin Board	XOTC	Intermediary
		NYSE Arca	ARCX	Intermediary
		OTC Bulletin Board – other TC	OOTC	Intermediary
		Pink sheets OTC NQB	PINX	Intermediary
		Pink sheets Grey Market	PSGM	Intermediary
		Nasdaq Capital Market	XNCM	Intermediary
		Nasdaq/NGS - Global Select Market	XNGS	Intermediary
		Toronto Stock Exchange	XTSE	Intermediary
		TSX Venture Exchange	XTSX	Intermediary
	Singapore	Singapore Stock Exchange	XSES	Intermediary
	Hong Kong	Stock Exchange of Hong Kong	XHKG	Intermediary
	Japan	Osaka Securities Exchange	XOSE	Intermediary
		Tokyo Stock Exchange	XTKS	Intermediary
		Osaka Securities Exchange - Jasdaq	XJAS	Intermediary
	Australia	Australia Securities Exchange	XASX	Intermediary
	Bosnia and Hercegovina	Sarajevo Stock Exchange	XSES	Intermediary
		Banja Luka Stock Exchange	XBLB	Intermediary
	Montenegro	Montenegro Stock Exchange	XMNX	Intermediary
	Macedonia	Macedonian Stock Exchange	XMAE	Intermediary
Certificates manufactured by Raiffeisen Bank International AG	Austria	Raiffeisen Raiffeisen Bank International – systematic internaliser	RBIV	Direct
Emission allowances (EUA spot)		OTC	/	Intermediary
Bonds, bills and money market instruments	Croatia	Zagreb Stock Exchange	XZAG	Direct
	Bosnia and Hercegovina	Sarajevo Stock Exchange	XSES	Intermediary
		Banja Luka Stock Exchange	XBLB	Intermediary
		Montenegro	XMNX	Intermediary
	Macedonia	Macedonian Stock Exchange	XMAE	Intermediary
	Other (accepting quote of the Bank or RBI)	OTC	/	
Derivatives	Austria	ÖTOB (Wiener Boerse, AG))	XVIE	Intermediary
	Germany	Eurex	XEUR	Intermediary
	United States of America	Globex	GLBX	Intermediary
		CBOT	XCBT	Intermediary
		CBOE	XCBO	Intermediary

	CME	XCME	Intermediary
	Nymex	XNYM	Intermediary
	Comex	CECS	Intermediary
United Kingdom	NYSE Euronext Liffe	XLIF	Intermediary
	London Metal Exchange	XLME	Intermediary
Singapore	Simex	SMEX	Intermediary
Denmark	CSE	XCSE	Intermediary
France	Moneq	XMON	Intermediary
Switzerland	Eurex	XVTX	Intermediary
Japan	Osaka Exchange	XOSE	Intermediary