3. Information on our execution policy - Best Execution Policy

a. Preliminary remarks and scope of application

In compliance with the provisions of the WAG 2018 and the Delegated Regulation EU No. 2017/565, Schelhammer Capital Bank AG has established regulations on how it will execute orders of its client to achieve the best possible result for its client on an ongoing basis. These regulations are the content of the following Best Execution Policy. The Best Execution Policy is set out according to the current technical and organisational possibilities and applies to the processing of purchase and sales orders of financial instruments that are carried out by Schelhammer Capital Bank AG for small investors and professional client. The Bank executes all orders within the meaning of the Best Execution Policy, but cannot guarantee that the best possible result is actually achieved for each individual order.

Schelhammer Capital Bank AG will execute client orders for the purchase or sale of financial instruments either as commission agent (commission business) or as the sole counterparty (fixed-price business). If Schelhammer Capital Bank AG is not a stock exchange member itself, the client order is forwarded to third parties in compliance with the execution principles of Schelhammer Capital Bank AG.

Update: The Best Execution Policy is reviewed regularly, at least once a year, and adjusted if necessary. If there is a change in execution, the client will be informed on this as soon as possible.

In accordance with Section 61 of the WAG 2018, the following are exempt from this regulation:
• The issue and redemption of units in domestic investment funds and real estate investment funds, as well as units in foreign investment funds whose distribution is permitted in Austria, via a custodian bank
• A special instruction from the client regarding the execution of individual or all orders

b. Commission business

Execution of a commission order
Execution transaction and/or engagement of an intermediate commission agent
Schelhammer Capital Bank AG carries out orders of its client for the purchase and sale of financial instruments in Austria and abroad as a commission agent. For this purpose, Schelhammer Capital Bank AG enters into a purchase or sales transaction (execution transaction) with another market participant for the client's account or it engages another commission agent (intermediate commission agent) for the conclusion of an execution transaction.

Applicability of legal provisions/customs/terms and conditions
The execution transactions are subject to the legal provisions and terms and conditions (customs) applicable at the execution venue for securities trading; the General Terms and Conditions of Schelhammer Capital Bank AG's contractual partners apply in addition.

Price of the execution transaction/fees/expenses
Schelhammer Capital Bank AG charges the client for the price of the execution transaction; it is entitled to invoice its fees and its expenses including external costs.

Consolidation of orders
Schelhammer Capital Bank AG reserves the right to consolidate orders of clients with orders of other clients or also with transactions for own account. However, such consolidation will only be done if disadvantages for the client are overall not expected. In principle, such a consolidation of orders may have disadvantages with regard to a specific order.

Priority of client instructions
An instruction given by the client always has priority. When executing a purchase or sales order, Schelhammer Capital Bank AG will comply with the client's instructions. Instructions shall be issued in writing. It is expressly pointed out to the client that, if he has issued instructions, Schelhammer Capital Bank AG will carry out the order according to such instructions and may be prevented from achieving the best possible result due to the resulting deviation from the execution principles. If the client instruction only covers part of the order, the Bank will carry out the part of the order that it not covered by the instruction according to the applicable principles.

Criteria for the best possible order execution (“execution factors”)
The following criteria are relevant and weighted for the execution of purchase and sales orders for investors classified as “**small investors**”:

- Price (high weighting)
- Costs (high weighting)

For small investors, the total costs of the order are the only relevant criterion for the selection of the Best Execution venue. The total costs result from the price of the financial instrument, intra-company commissions and fees, execution venue fees, clearing and settlement fees and other fees paid to third parties (who may be involved in the execution of the order).

The following criteria are regarded as relevant to the execution of purchase and sales orders for investors classified as “**professional clients**” and weighted as follows:

- Price (high weighting)
- Costs (high weighting)
- Speed of execution (high weighting)
- Probability of execution and settlement (medium weighting)

- Scope and type of order (medium weighting)

Classes of financial instruments
Financial instruments with the same or similar characteristics are summarised to the following classes and treated equally in line with the execution policy per class.

- Equity - shares & depositary receipt/depositary certificate
- Exchange traded products (z. B. ETFs)
- Debt instruments (bonds)
- Securitised derivatives (warrants and certificates)
- Interest derivatives
- Credit derivatives
- Currency derivatives
- Structured financial instruments
- Equity derivatives
- Commodity derivatives
- CFDs
- Authorisation to issue
- Other instruments

Execution policy
Orders may be executed in regulated markets, via a multilateral trading facility (MTF), via a systematic internaliser or outside such trading venues. This information on the execution policy is followed by an overview of execution venues where Schelhammer Capital Bank AG usually executes orders.

The execution venues best suited for the relevant class of financial instruments is selected, in addition to the “execution factors” set out in 2.2., also in consideration of the following qualitative factors, which are also weighted:

- Clearing system of the trading venue (high weighting)
- Trading times (high weighting)

Execution venues
The following execution venues are generally intended for the relevant class of financial instruments. Due to the availability of clearing systems and volatility disruptions as well as auctions to increase liquidity, priority is given to the regulated markets and the MTFs. OTC trading is considered as alternative execution venue due to the related counterparty risk. To compare several OTC trading venues, at least three comparison prices are obtained and documented for each transaction with OTC executions in individual cases (if this number of OTC quotes is available).

Asset class	intended execution venue	Alternative execution venue
Equity - shares & depositary receipt/depositary certificate	Regulated market	OTC, systematic internaliser
Exchange traded products (such as ETFs)	Regulated market	OTC, systematic internaliser
Debit instruments (bonds)	MFT, regulated market	OTC, systematic internaliser, OTF
Securitised derivatives (warrants and certificates)	Regulated market	OTC, systematic internaliser
Interest derivatives	Regulated market	OTC
Credit derivatives	Regulated market	OTC
Currency derivatives	Regulated market	OTC
Structured financial instruments	MFT, regulated market	OTC, systematic internaliser, OTF
Equity derivatives	Regulated market	Regulated market
Commodity derivatives	Regulated market	OTC
CFDs	Not defined	Not defined
Authorisation to issue	Not defined	Not defined
Other instruments	Not defined	Not defined

Execution venues in detail
Equity - shares & depositary receipt/depositary certificate and exchange traded products (such as ETFs)
Orders related to these instruments are primarily executed at the relevant home exchange or, if the home exchange is not the main marketplace, at the main marketplace, as a cost-effective execution is usually possible there due to high liquidity.

The home exchange describes the exchange of first listing; this is most often the/an exchange of the state where the issuer has its registered office. The main marketplace is such exchange where the largest trading volume is achieved in the long term.

Orders from savings plans, as well as orders in exchange-traded products in general, can be traded on other exchanges with the same execution quality in addition to the home or main trading exchange.

Austrian shares
Orders related to shares whose home exchange is in Austria are primarily executed via XETRA Vienna. If the share is not listed there, they are executed at another stock exchange according to the criteria listed in 2.2.

German shares
Orders related to shares whose home exchange is in Germany are primarily executed via XETRA Frankfurt. If the share is not listed there, they are executed at another German stock exchange.

US-American shares
Orders related to shares whose home exchange is in the USA are primarily executed via the New York Stock Exchange (NYSE) or the Nasdaq. If the share is not listed there, they are executed at another US-American stock exchange.

Other foreign shares
Other foreign shares are primarily executed via the relevant home exchange or, if the home exchange does not correspond to the main marketplace, at the main marketplace.

Debt instruments (bonds) and structured financial instruments
Shares of domestic and foreign issuers of this class are primarily executed via a multilateral trading facility (MTF), as the best prices and highest volumes are usually traded there. If this option is not available, the order is executed via a systematic internaliser or at a regulated market in accordance with the above-mentioned implementation criteria.

Securitised derivatives (warrants and certificates)
Certificates and warrants are primarily executed via the relevant home exchange or, if the home exchange does not correspond to the main marketplace, at the main marketplace.

Exchange-traded derivatives
Exchange-traded derivatives are primarily traded via the main futures market of the country where the base value of the derivative has its registered office.

Investment funds and real estate investment funds
The purchase and sale of investment fund shares and of real estate investment fund shares is generally made via the relevant custodian bank, the investment company, the transfer agent or a third-party provider of the (real estate) investment fund, as the price is formed according to the Austrian investment fund act (InvFG) and/or the Austrian real estate investment fund act (ImmoInvFG). According to the WAG 2018, these are not executions of client orders in terms of the execution policy.

On grounds of cost, sales orders related to shares of all classes of financial instruments are executed either in the country where the depositary is situated or at such trading venue via which the security was acquired.

Notification
Schelhammer Capital Bank AG will inform the client immediately about the execution, the execution venue and the type of execution.

Exceptions:
We reserve the right to reject certain types of financial instruments or places of execution (e.g. sanctions or non-transparent places of execution) in the interests of investor protection and/or due to international regulatory restrictions and the dangers and risks associated with these securities.

Review of the principles
For the selection of execution venues and policies made according to these principles, Schelhammer Capital Bank AG will regularly review whether the execution venues including the execution policy guarantee the best possible result for the client. In addition, it will perform a review if it is suspected that essential criteria that haven spoken in favour of a specific execution venue do no longer apply. Schelhammer Capital Bank AG will inform the client about significant changes to the selection of execution venues. Schelhammer Capital Bank AG will inform its clients about the quality of the execution on a quarterly basis. Likewise, an annual summary of the top five execution venues with regard to the execution quality will be provided.

Deviation from the execution policy without the client's instruction
Schelhammer Capital Bank AG reserves the right to deviate from the execution policy even without the client's instruction if this is in the client's best interest. Schelhammer Capital Bank AG generally reserves the right to carry out high-volume client orders in shares or equity-like securities via one of its intermediaries at an MTF (multilateral trading facility) or off-market if this achieves a better or equivalent result for the client.

System failures and other incidents
If unforeseen incidents occur (such as technical issues of any kind), Schelhammer Capital Bank AG may be forced to select other types of order execution than the ones established in the execution policy. In such cases, the Bank will also attempt to achieve the best possible result for the client when rendering the service.

In the event of system failures, there may be delays in execution, particularly in the case of savings plans.

c. Fixed-price business

If the client and Schelhammer Capital Bank AG agree on a fixed price for the purchase or sale of financial instruments (fixed-price business), a contract is concluded. Accordingly, Schelhammer Capital Bank AG takes over the financial instruments from the client as the purchaser or it delivers the financial instruments to the client as the seller. If a fixed-price transaction is concluded, the market situation must be taken into account. Schelhammer Capital Bank AG charges the client for the agreed price, plus any accrued interest for interest-bearing debt instruments (accrued interest). Schelhammer Capital Bank AG undertakes to make sure, by taking the regulation on the achievement of the best possible execution into account, that an equivalent result is usually achieved that would also be achieved by Schelhammer Capital Bank AG through the execution of the order as commission agent. It is expressly pointed out that the performance of fixed-price transactions is possible for all kinds of financial instruments.

d. Regulated markets where Schelhammer Capital Bank AG can trade

Germany, Xetra Frankfurt	XETR
Germany, regional exchanges	XFRA, XSTU, XBER, XHAM, XDUS, XHAN, XGAT, XMUN, MUNC
Belgium, Brussels	XBRU
Denmark, Copenhagen	XCSE
Finland, Helsinki	XHEL
France, Paris	XPAR
Greek, Athens	XATH
Irland, Dublin	XDUB
Italy, Milan	XMIL
Netherlands, Amsterdam	XAMS
Norway, Oslo	XOSL
Austria, Vienna	XVIE
Portugal, Lisbon	XLIS
Sweden, Stockholm	XSTO
Switzerland	XSWX, XVTX, XBRN (Bern)
Spain, Madrid	XMAD
Great Britain, London	XLON
Australia	XASX
Hong Kong	XHKG
Japan, Tokio	XTKS
Singapore	XSES
Canada, Toronto	XTSE
USA	XNYS, XNMS
Bosnia-Herzegovina	XBLB (Banja Luka), XSSE (Sarajevo) - only sale of existing stock
Croatia, Zagreb	XZAG
Poland, Warsaw	XWAR
Russia, Moscow	MISX - suspended at the moment
Serbia, Belgrade	XBEL - only sale of existing stock
Slovenia, Ljubljana	XLJU
Czech Republic, Prague	XPRA
Hungary, Budapest	XBUD

The Schelhammer Capital Bank AG in principle makes use of the Schelhammer Capital Bank AG as an intermediary commission agent for the execution of commission orders in the various asset classes. The Schelhammer Capital Bank AG mainly uses the following intermediary commission agents for stock exchanges of which it is not a member and trades over the counter mainly with the following trading partners:

Asset class	(Intermediate) commission agent / trading partner
Austrian shares and equity-like securities (Vienna Stock Exchange)	Direct Stock Exchange membership
German shares and equity-like securities (German stock exchanges)	HSBC Trinkaus & Burkhardt AG, Düsseldorf Baader Bank AG, München Erste Group Bank AG, Wien
Shares and equity-like securities from other foreign countries (other foreign stock exchanges)	HSBC Trinkaus & Burkhardt AG, Düsseldorf Baader Bank AG, München Erste Group Bank AG, Wien Raiffeisen Bank International AG, Wien
Derivatives traded at the stock exchange	HSBC Trinkaus & Burkhardt AG, Düsseldorf UniCredit Bank GmbH; München

Certificates and warrants	On market Austria: Direct Stock Exchange membership On market abroad: HSBC Trinkaus & Burkhardt AG, Düsseldorf Baader Bank AG, München OTC/off-market Austria and abroad: Issuers
Investment fund units	Domestic units: relevant investment company/custodian bank/transfer agents as well as Erste Group Bank AG, Vienna Foreign units: Attrax Financial Services S.A. FNZ Bank SE Erste Group Bank AG, Wien Raiffeisen Bank International AG, Wien, as well as relevant investment company/custodian bank/transfer agents
Bonds (off-market)	In their function as issuer and/or broker for domestic and foreign securities: AUREL BGC, Paris Baader Bank AG; München Bayerische Landesbank, München Bondpartners S.A., Lausanne Bridport & cie SA, Genf Deutsche Bank AG, Frankfurt Erste Group Bank AG, Wien HSBC Trinkaus & Burkhardt AG, Düsseldorf Jane Street, London JPMorgan Chase Bank, Frankfurt Jefferies GmbH, Frankfurt Landesbank Baden-Württemberg, Stuttgart Natixis SA, Paris Octo Finance SA, Paris ODDO BHF, Frankfurt Raiffeisen Bank International AG, Wien SEB Skandinaviska Enskilda Banken AB Frankfurt Branch UniCredit Bank GmbH, München Zürcher Kantonalbank, Zürich as well as Further issuers/brokers from Austria and abroad

e. Reporting Top 5 trading places

Once a year Schelhammer Capital Bank AG publishes the 5 at a time most important volume weighted venues for all executed client orders divided into different classes of financial instruments.

The publication is done through the homepage of the bank.