BEMO Europe Best Execution Policy

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1. Introduction

BEMO EUROPE BANQUE PRIVEE (hereafter referred as "BEMO" or the "Bank"), is a public limited company governed by the law of the Grand-Duchy of Luxembourg. It is registered with the Registre de Commerce et des Sociétés de Luxembourg under number B176452, with its registered office at 26, Boulevard Royal, L-2449 Luxembourg.

The Bank is authorized by the CSSF to carry out their activities pursuant to Article 2 of the Law of 5 April 1993.

BEMO EUROPE with the agreement of the CSSF and the ACPR has a branch in France, denominated as BEMO EUROPE BANQUE PRIVEE – Succursale de Paris. It is registered under RCS number 998269518 / CIB 17619 with its registered office at 63, Avenue Marceau, 75116 Paris.

2. Legal Framework

This Policy is established in accordance with:

- Directive 2014/65/EU of the European Parliament and of the Council 15 May 2014 on markets in financial instruments;
- Commission Delegated Regulation (EU) of 8/6/2016: Annexes to the Commission Delegated Regulation (EU) of 8/6/2016;
- ESMA Guidelines on MiFID II and MiFIR investor protection and intermediaries' topics;
- ESMA Guidelines - Regulatory and Implementing Technical Standards MiFID II/MiFIR;
- ESMA Q&A on MiFID II and MiFIR investor protection and intermediaries' topics;
- Law of 5 April 1995 on the financial sector, as amended from time to time;
- Circular CSSF 12/552 (as amended from time to time) on the central administration, internal governance and risk management.

For the legal framework, the Bank complies with European, Luxembourg texts.

3. Purpose

When dealing with clients, the Bank acts honestly, fairly and professionally, always taking into account the clients' best interests. The purpose of this Policy is to provide a standard of execution for the Company, considering the Banks obligation to take all sufficient steps to select the best possible intermediaries ('best selection') and to obtain the best possible result for its clients as required by the regulation (MiFID II).

4. Scope

This Policy applies to orders issued by both Professional and Retail clients (according to the MiFID II categorisation) and aims to describe the way the Bank acts and operates in order to provide those clients with the best execution possible at that time. The Best Execution Policy applies to all categories of Financial Instruments.

The Bank does not owe best execution to clients classified as Eligible Counterparties, while the duty to identify and manage any conflicts of interests will only apply to Professional and Retail clients.

This policy is directly binding on the Bank and is to be considered as immediately applicable to its (current and future) representative offices, branches and subsidiaries in Luxembourg and abroad, unless an amendment to adapt to the specificities of local legislation is required and previously approved by the Bank.

II. Definitions

Eligible counterparties : This status is reserved for companies permitted to operate directly on the markets: investment companies, credit institutions, insurance companies, UCITS and their management companies, pension funds and their management companies, other approved or regulated financial institutions under European Union law or the national law of a member state, national governments and their services, including the public organisations responsible for national management of the public debt, central banks and supranational organisations.

Multilateral Trading Facility (MTF): multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with nondiscretionary rules – in a way that results in a contract in accordance with MiFID II;

Regulated market (RM): 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, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with MiFID II.

Over The Counter (OTC) market: Transaction are entered into directly between the vendor and the purchaser.

Exchange Traded Funds (ETF): ETFs are index-linked UCITS (undertakings for collective investment in transferable securities) listed on regulated markets.

III. Best Execution Policy

1. Best Selection

The Transactional Banking Desks trading activity is not responsible for executing clients' orders on a market but rather for transmitting those orders to entities which are effectively responsible for executing them. In these cases, 'best execution' translates into 'best selection'. The 'best selection' procedure establishes the list of intermediaries (Correspondent Bank and/or Brokers) to which the Bank shall entrust the execution of a substantial part of its clients' orders.

The initial range of potential intermediaries includes different large market participants and the list of effectively used ones is reviewed and assessed on a routine basis by the Risk Department and the authorised Management. The assessment and review are based on the ongoing quality assessment performed by the Company's Authorised Management. This is assessment includes but is not limited to the following criteria of the intermediaries:

- Solid reputation and good notoriety;
- Solid financial situation;
- Adequate structure, organization and internal control system;
- "Best Execution" procedure and their commitment to comply with the regulations in force;

Upon its selection of Intermediaries, the Bank takes into particular account the quality of the orders' execution services, taking into account the following criteria:

- Capacity to execute orders (regardless of their size);
- Likelihood of successful execution and settlement;
- Geographical coverage of execution venues;
- Transaction cost(s);
- Transaction size;
- Transaction price;

The intermediaries selected by the Bank through this procedure shall be able to provide, upon demand, evidence of the methods and procedures used to obtain best execution.

2. Execution Factors

The Bank considers the following range of execution factors when determining the best outcome for its clients:

- Costs: all expenses incurred by the client which are directly related to the execution of the order;
- Speed of execution: the time it takes to place a client order in the market;

- Likelihood of execution and settlement: the likelihood of completing a client transaction;
- Capacity of execution: certain orders must be executed in accordance with certain parameters (for example, as a percentage of the market's volume or trading volume);
- Size of the order and its market impact: depending on the market liquidity of a financial instrument, the order size (any large order compared with normal market size) might have an influence on the market price;
- Nature of the order: this is how the particular characteristics of a client's order can affect how best execution is received;
- Any other consideration relevant to the placing, modification, cancellation or execution of the order.

3. Execution Criteria

The application of the above Execution Factors to any particular order is necessarily affected by the features and circumstances of the order. Such features and circumstances (time, place of execution, for example) are called the 'Execution Criteria' and the main Execution Criteria are:

- The client (namely, the categorisation of the client, whether is a Retail or Professional);
- The client's order (including if the order involves a securities' financing transaction);
- The orders size;
- The financial instrument(s) that are subject of that order;
- The execution venues to which that order can be directed.

These Execution Criteria define the way the Banks Transactional Bank Desk adopt the Execution Factors and will act in the execution of the received orders.

4. Specific Instructions from Clients

Whenever there is a specific instruction from a client, the Bank must execute the order(s) following those specific instructions. When the Bank executes an order following specific instructions from the client, it should be treated as having satisfied its best execution obligations only in respect to the part (or aspect) of the order to which the client instructions relate.

The fact that the client has given specific instructions which cover one part (or aspect) of the order should not be treated as releasing the Bank from its best execution obligations in respect of any other part(s) (or aspects) of the client's order that was not covered by such client instructions.

5. Execution of Client Orders

The Banks intermediaries may use automated systems to route and execute clients' orders. When a client order is received, it is routed to the execution venue that the intermediaries consider to generally provide the Best Execution or otherwise kept in house for products, which the intermediaries will trade against its own proprietary desk. The intermediaries may execute orders outside regulated markets and multilateral trading facilities. A list of Execution venues is provided by instruments in Annex 1 below.

For instruments admitted to trading and official listing on a regulated market or stock exchange (i.e., Bonds, Stocks, Futures, Listed Options and ETFs), the intermediaries routes orders to the exchange, to a multilateral trading facility (or the like) or to selected third parties.

For OTC products (FX Spot, FX Forwards and Options), the intermediaries will trade (as principal) against its own proprietary desk and may, in turn, route its own orders to other market maker firms.

Prices of non-listed units in Mutual Funds (e.g., unit trusts or open-ended investment companies) are set at a future "valuation point" and the exact price of such units is, therefore, not known in advance. The intermediaries will seek to execute orders of such units, be it subscriptions or redemptions, at a price closest to the amount in the client's order as well as in accordance with the fund manager's rounding rules.

There may be delays in the execution of orders, including orders placed through online trading systems. Some orders placed through online trading systems may be handled manually. When high traffic in electronic orders causes a backlog, the intermediaries, as well as market makers to which orders are sent for execution, must sometimes discontinue normal automatic execution procedures and turn to manual execution, leading to possible delays in the orders' execution.

6. Order Types

Given the risks that arise when trading in volatile markets, clients may want to consider using different types of orders to limit risk and manage their investment strategies. It should be noted that the following descriptions of order types is not exhaustive and may apply only to some and not all types of financial instruments.

Market order: With a market order the client instructs a financial institution or trading counterparty to execute a trade of a certain size, as promptly as possible, at the prevailing market price. The Bank is required to execute market orders without regard to price changes. Therefore, if the market price moves significantly during the time it takes to fill a client's order, the order will most likely be exposed to the risk of execution at a price substantially different from the price when the order was entered.

Certain exchanges do not support market orders. If the client places a market order in (one of) these markets, the Intermediaries will automatically translate the order to an aggressive limit order within a certain percentage limit "in the money". It is the clients' own responsibility to check if the order is traded in the market after the order's entry. If the client experiences (or suspects of) any errors with his/her order, the client should contact the Bank immediately. Some of the intermediaries or third-party execution brokers may choose to translate market orders on various markets into aggressive limit orders with a 3 –

5 % limit in the money. This is often a result of the exchanges' rules being applied to protect clients from "bad fills". The Bank or its Intermediaries cannot be held responsible for missing fills due to such translation performed by third party execution brokers.

Limit order: With a limit order, the client sets the maximum purchase price, or minimum sale price, at which the trade is to be executed. As a limit order may be entered away from the current market price, it may not be executed immediately. A client that leaves a limit order must be aware that he/she is giving up the certainty of immediate execution in exchange for the expectation of getting an improved price in the future. Limit orders may be routed to an exchange without human intervention.

Stop order: When a stop order is placed and the established stop price is triggered, the order is automatically sent for execution as a market order at the price then prevailing. Thus, a stop order becomes a market order only when a certain price level (the stop price/value) is triggered. Unlike the limit order, it does not define the actual price at which the trade will be executed, but rather the price that will cause the trade to be initiated. While a stop order does not guarantee the price of execution, it ensures that the trade under normal circumstances will be executed if the price level is triggered and liquidity is available. Stop orders, normally intended to limit losses to a certain amount, may not effectively limit losses.

Trailing Stop order: The trailing stop order is a stop order as described above but where the trailing stop price moves according to parameters set by the client. This way the trailing stop order can be used to sell an instrument if its price drops more than a specified distance from the highest price traded, or to buy if the price trades above a pre-set level above the lowest traded price.

Stop Limit Order: When a stop limit order is placed and the established stop price is triggered, the order is automatically sent for execution as a market order but no worse than the limit price at the price then prevailing. Thus, a stop limit order becomes a market order with a limit price when a certain price level (the stop) is triggered. Unlike the limit order, it does not define the actual price at which the trade will be executed but rather the price or the maximum or minimum price (the limit price) that will cause the trade to be initiated. A stop limit order does not have a guarantee of execution; If liquidity is insufficient the market in question, it may trade through the limit price and the investor may have no execution. In this case, the investor will remain exposed as the order will not be executed unless (or until) the market price returns to or through the limit price. Stop Limit Orders, normally intended to limit losses or maximise profits to a certain amount, may not effectively limit losses or maximise profits.

7. Risk in Clients Orders Execution

Clients should be aware of the following risks associated with volatile markets, especially at (or near) the open or close of the standard trading session:

- Execution at a substantially different price from the quoted bid or offer or the last reported sale price at the time of order entry, as well as partial executions or execution of large orders in several transactions at different prices;
- Delays in executing orders for financial instruments where the Intermediaries must send to external market makers and manually routed or manually executed orders;

- Opening prices that may differ substantially from the previous day's close;
- Locked (the bid equals the offer) and crossed (the bid is higher than the offer) markets, which prevent the execution of client trades.

Price volatility is one factor that can affect order execution. When clients place a high volume of orders, order imbalances and backlogs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of several factors:

- The number and size of orders to be processed,
- The speed at which current quotations (or last sale information) are provided to the Bank and its Intermediaries and other brokerage firms; and
- The system capacity constraints applicable to the given exchange, as well as to the Intermediaries and other firms.

8. Disclosure of Top 5 Execution Venues

In accordance with Regulatory Technology Standards established by the European Securities and Markets Authority (ESMA), commonly referred to as "RTS 28," the Bank is obligated to annually disclose, for each class of financial instruments, the top five execution venues where client orders were executed in the preceding year, based on trading volumes. This disclosure includes a comprehensive analysis of each venue and information on the quality of execution obtained.

The purpose of this data publication is to provide the public and investors with the means to assess the quality resulting from a firm's execution practices. RTS 28 disclosures must be made publicly available on or before April 30th, following the conclusion of the reporting period. These disclosures should incorporate a summary of the venues, and the links to this information are accessible on the bank's official website (www.bemo.lu).

In compliance with ESMA requirements, the reports issued under RTS 28 by the bank will remain in the public domain and freely accessible for a minimum period of two years. This duration allows for a robust comparison between different firms and facilitates the assessment of performance trends over time.

9. (Non) monetary inducements and incentives

In accordance with the recommendations of MiFID II for preventing conflicts of interest, we undertake not to receive any remuneration, discount or financial advantage that may affect our decision-making processes before our orders are routed via our different possible channels and to our different possible execution venues. Only the criteria and decision-making processes listed above have a bearing on how we direct our orders and obtain the best possible execution.

We will only accept third-party payments on the express condition that they are in line with what is acceptable under the MiFID II inducements regime. We will adhere to this same principle for the payments that we make to third-party entities. Any MiFID-compliant benefits that might nonetheless be received are periodically disclosed to our customers.

10. Summary of the Execution Policy for customer's information

BEMO Europe complies with the obligation to publish a clear, straightforward summary of its order execution policy on its website and to send this policy to customers on request (www.bemo.lu). This clear yet detailed document provides customers with a simple explanation of the methods that BEMO Europe uses to achieve best execution of orders

The Execution Policy describes the different processing flows according to the nature of the products and the techniques used to achieve best execution, whether orders are placed directly on a market by us, transmitted to a third party (a broker) for execution or in exceptional cases, handled off-market.

This document covers the various criteria used to measure best execution (price, costs, speed, etc.) and explains how we optimise them depending on the situation. Customers are entitled to request proof that their orders were executed in accordance with this policy. It is reviewed annually or each time a review is warranted by a material change.

The Client is entitled to make reasonable and proportionate requests for information about the Bank's policies, arrangements and how they are reviewed by the Bank. The Bank undertakes to answer as clearly as possible and within a reasonable time.

IV. Compliance

We monitor compliance with this Policy and regularly evaluate its effectiveness. In particular, we monitor the quality of execution by the entities referred to in this Policy and, if applicable, address any issues.

V. Review and update

We review this Policy at least once a year or if a major change is needed that has an impact on our ability to achieve the best possible result for our customers.

We notify our customers of any major change to this Policy by publishing an updated version on our website (www.bemo.lu). By continuing to do business with us following the publication of an update, customers are deemed to have accepted the amendments to this Policy, unless they inform us that they disagree with certain changes.

ANNEX I – List of Execution venues

Execution venues for orders in equities and similar instruments

This is a non-exhaustive list and is subject to modifications. Please note that only execution venues for which the volume of executed orders is above 1% for the specific instrument class are listed.

- IlliquidX (LEI: 213800C6Q14JHU8S2L30)
- BDL (LEI: PSZXLEV07O5MHRRFCW56)
- Quintet (LEI: KHCL65TP05J1HUW2D560)
- BIL (LEI: 9CZ7TVMR36CYD5TZBS50)
- Credit Suisse (LEI: 549300CWR0W0BCS9Q144)
- UBP (LEI: IPLPO8C7P68Q5FFRI280)
- Swiss Quote (LEI:H6IQ3SWWWBLDBI06ZX04)
- Bridport & cie (LEI: 213800VGFKO4K5IJUI20)

Execution venues for orders in bonds and similar instruments

This is a non-exhaustive list and is subject to modifications. Please note that only execution venues for which the volume of executed orders is above 1% for the specific instrument class are listed.

- IlliquidX (LEI: 213800C6Q14JHU8S2L30)
- BDL (LEI: PSZXLEV07O5MHRRFCW56)
- Quintet (LEI: KHCL65TP05J1HUW2D560)
- BIL (LEI: 9CZ7TVMR36CYD5TZBS50)
- Credit Suisse (LEI: 549300CWR0W0BCS9Q144)
- UBP (LEI: IPLPO8C7P68Q5FFRI280)
- Swiss Quote (LEI:H6IQ3SWWWBLDBI06ZX04)
- Bridport & cie (LEI: 213800VGFKO4K5IJUI20)

Execution venues for orders in Exchange Traded Products (ETPs), or Exchange Traded Funds (ETFs)

This is a non-exhaustive list and is subject to modifications. Please note that only execution venues for which the volume of executed orders is above 1% for the specific instrument class are listed.

- IlliquidX (LEI: 213800C6Q14JHU8S2L30)
- BDL (LEI: PSZXLEV07O5MHRRFCW56)
- Quintet (LEI: KHCL65TP05J1HUW2D560)
- BIL (LEI: 9CZ7TVMR36CYD5TZBS50)
- Credit Suisse (LEI: 549300CWR0W0BCS9Q144)
- UBP (LEI: IPLPO8C7P68Q5FFRI280)
- Swiss Quote (LEI:H6IQ3SWWWBLDBI06ZX04)
- Bridport & cie (LEI: 213800VGFKO4K5IJUI20)

Execution venues for orders in OTC products (FX Spot, FX Forwards and Options)

This is a non-exhaustive list and is subject to modifications. Please note that only execution venues for which the volume of executed orders is above 1% for the specific instrument class are listed.

- IlliquidX (LEI: 213800C6Q14JHU8S2L30)
- BDL (LEI: PSZXLEV07O5MHRRFCW56)
- Quintet (LEI: KHCL65TP05J1HUW2D560)
- BIL (LEI: 9CZ7TVMR36CYD5TZBS50)
- Credit Suisse (LEI: 549300CWR0W0BCS9Q144)
- UBP (LEI: IPLPO8C7P68Q5FFRI280)
- Swiss Quote (LEI:H6IQ3SWWWBLDBI06ZX04)
- Bridport & cie (LEI: 213800VGFKO4K5IJUI20)

Execution venues for orders in UCIs and Non-Listed Mutual funds

This is a non-exhaustive list and is subject to modifications. Please note that only execution venues for which the volume of executed orders is above 1% for the specific instrument class are listed.

- IlliquidX (LEI: 213800C6Q14JHU8S2L30)
- BDL (LEI: PSZXLEV07O5MHRRFCW56)
- Quintet (LEI: KHCL65TP05J1HUW2D560)
- BIL (LEI: 9CZ7TVMR36CYD5TZBS50)
- Credit Suisse (LEI: 549300CWR0W0BCS9Q144)
- UBP (LEI: IPLPO8C7P68Q5FFRI280)
- Swiss Quote (LEI:H6IQ3SWWWBLDBI06ZX04)
- Bridport & cie (LEI: 213800VGFKO4K5IJUI20)

Execution venues for orders in listed derivatives and future contracts

This is a non-exhaustive list and is subject to modifications. Please note that only execution venues for which the volume of executed orders is above 1% for the specific instrument class are listed.

- IlliquidX (LEI: 213800C6Q14JHU8S2L30)
- BDL (LEI: PSZXLEV07O5MHRRFCW56)
- Quintet (LEI: KHCL65TP05J1HUW2D560)
- BIL (LEI: 9CZ7TVMR36CYD5TZBS50)
- Credit Suisse (LEI: 549300CWR0W0BCS9Q144)
- UBP (LEI: IPLPO8C7P68Q5FFRI280)
- Swiss Quote (LEI:H6IQ3SWWWBLDBI06ZX04)
- Bridport & cie (LEI: 213800VGFKO4K5IJUI20)

ANNEX II – Specific consideration by financial instruments

Equities, Depositary receipts and ETFs

- Scope: Purchase and sale of cash equities and equity-like products.
- Order types: Market order, Limit order, Stop order, Stop limit order.
- Order handling: The Bank employs different channels for transmitting its clients orders. The Bank has access through its brokers to different smart order routers that are able to check multiple venues when trying to execute an equity order (i.e e-Quintet, BIL net). Using smart order routers allows the Bank to access better prices, additional liquidity and a greater likelihood of execution. Smart order routers automatically choose the best execution venue in terms of price.
- Brokerage firms and intermediaries' criteria selection: The Brokers selection for every trade is based on the criteria mentioned under Section III.1 of this policy. From most to least important, the execution speed, likelihood of execution and total transaction cost are key elements for the selection. For the Brokerage firms engaged in the execution of equities trades refer to Annex 1.
- When participating in an initial public offering on behalf of a Client, Dealers, in general, approach one counterparty with whom they reasonably believe the Bank will have a better chance of getting an allocation thus maximizing the likelihood of execution.
- Split trades: For large orders and/or illiquid instruments, the bank could opt to split the order into smaller trades to be executed in different timing in order not to adversely impact the market price.

Debt Instruments

- Scope: Bonds, money-market Instruments.
- Order types: Market order, Limit order
- Order handling: Pricing and execution in bonds are executed through Bloomberg operating as a Multilateral Trading Facility (MTF). When receiving a client order, the Bank's dealing desk challenges different market price makers through a request for a quote, using the TSOX functionality on Bloomberg.
- Brokerage firms and intermediaries' criteria selection: Following MIFID II implementation, new negotiation platforms came to light in order to ensure a full transparency execution of transactions traded on a non-regulated market. BEMO Europe is not a member of any of those platforms yet, however it transmits its clients' orders through third party brokers.
  The Brokers selection for every trade is based on the criteria mentioned under Section III.1 of this policy. From most to least important, the execution price and then the likelihood of execution are the key elements for the selection. For the Brokerage firms engaged in the execution of the debt trades refer to Annex 1.

Derivatives

BEMO Europe offers to its clients option trading which could be structured with different underlings and maturities.

- Scope: Purchase and sale of exchange-traded options for speculative and hedging purposes.
- Order types: Market order, Limit order, Stop order.
- Order handling: Execution of Derivatives is characterized by its manual process. The bank transmits the order to the financial intermediary who will then place the order on the relevant market where it will be executed according to this latter's rules.
- Brokerage firms and intermediaries' selection:
  Due to the complexity of the derivatives instruments which do not constitute a single instrument but contract, the limitation in term of liquidation, margin calls and continuous monitoring of the limits, the bank opted to centralize the execution and clearing of the derivative instrument on a common negotiation platform where the bank's selected brokers are members. For the Brokerage firms engaged in the execution of the derivatives trades refer to Annex 1.

Foreign exchange forward and swap contracts

- Scope: purchase and sale of foreign exchange forward contracts.
- Order handling: Foreign exchange forward prices are based on the spot price for the relevant currency pair and a spot/forward swap price.
  The spot component of a foreign exchange forward contract is priced in accordance with the current market price for a standard amount of the relevant currency pair, adjusted to the size of Client orders. The forward swap component of the price is based on the spot rate at the time the deal is executed, with an adjustment for forward points (differential between the interest rates for the two currencies for the relevant forward value date). As such, the price offered by the Bank at any given time is considered as the best price at the time of the trade for the size of the Client order.

Foreign exchange option contracts

- Scope: purchase and sale of foreign exchange options.
- Order handling: The Bank provides prices for foreign exchange options on request. Pricing and execution in foreign exchange options are characterized by an interbank market. The foreign exchange options market is not dedicated for individual small orders.
  The option price is calculated on a number of factors, the most significant being the spot price of the underlying and the implied volatility of the relevant currency pair.

Structured products

- Scope: purchase and sale of structured products.

- Order handling: The Bank deals on own account (as principal) on behalf of Clients in structured products sponsored or issued by the Bank. The Bank deals on behalf of clients (as agent) in a structured product which is not sponsored or issued by the Bank.
- Execution factors: Trading place: On a priority basis, all structured products which could be traded on a stock exchange will be executed through these trading platforms (cases where the issuer is assuming a market making activity). If not, structured products will be traded over the counter, on the interbank market, with the original issuer of the product.
- Timely execution: Due to the lack of liquidity in this kind of product, all orders will be executed on a best effort basis in terms of timely execution.
- Brokerage firms and intermediaries' selection: Dealers may ask only one counterparty to provide a quote, giving preference to the issuer of the note. This is done, in particular, to avoid a market impact from situations when several brokers simultaneously approach the issuer (who normally acts as the main provider of liquidity for its structured products) to quote the price.

  Factors can be summarized as follows from most to least important: execution Speed, likelihood of execution; execution cost, and price.