



EXECUTIVE BOARD

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**ORDER EXECUTION POLICY OF THE BROKERAGE AND DEALER DEPARTMENT OF ALTA BANK
A.D. BELGRADE**

Belgrade, September 2024

Based on Article 415 of the Capital Market Law ("Official Gazette of the Republic of Serbia," No. 129/2021), Article 43 of the Rulebook on Conduct Rules for Investment Firms in Providing Services, and Article 33, Paragraph 3, Point 14 of the Articles of Association of ALTA Bank a.d. Belgrade (consolidated text) dated May 20, 2024, the Executive Board of ALTA Bank a.d. Belgrade, at its 112th meeting held on September 2, 2024, adopted the following:

ORDER EXECUTION POLICY OF THE BROKER-DEALER DEPARTMENT OF ALTA BANK A.D. BELGRADE

I. GENERAL PROVISIONS

Article1

The Order Execution Policy (hereinafter referred to as the "Policy") of the Broker-Dealer Department of ALTA Bank a.d. Belgrade (hereinafter referred to as the "Bank") regulates measures and procedures for executing client orders to achieve the most favorable outcome for the client.

Article2

The Bank is obligated to provide clients with appropriate information regarding order execution and obtain the client's written consent to the Order Execution Policy before executing an order. The provisions of this Policy apply to retail and professional clients. The Bank does not guarantee the ability to achieve the best execution in every situation. Still, it will act under the provisions of this Policy, which is designed to secure the most favorable outcome for the client in most cases.

Achieving the most favorable outcome for the client entails acting with professional diligence in compliance with the provisions of this Policy, applicable regulations, and the Bank's internal policies. Suppose the Bank receives an order with specific client instructions. In that case, the order will be executed following those instructions, which may prevent achieving the best outcome as defined by this Policy. In such cases, the Bank is not obligated to act by this Policy.

II. CLIENT ORDER EXECUTION

Order Receipt Location

Article3

An order is considered received when it is accepted at the Bank's headquarters or at the business premises of another investment firm authorized to execute orders. The Bank may agree with another investment firm for order receipt, provided such arrangements do not increase fees or other costs compared to what the client would pay if the Bank provided the service directly, do not increase unnecessary operational risks for the Bank, do not significantly undermine internal control systems, and allow oversight by the Securities Commission.

Order Receipt Methods

Article4

The Bank may receive orders in the following ways: in person (in writing), via mail, telephone, fax, or electronically (through a secured internet service that prevents alteration of the received document), provided such methods are stipulated in the client agreement.

- **In-person submission** occurs at the Bank's premises in Belgrade, Bulevar Zorana Đinđića 121.

- Orders may also be submitted via **telephone**, provided a device with technical capabilities for audio recording is used, ensuring accuracy and reliability. This includes:
 - Recording the exact time the order was received (date, hour, and minute);
 - Identifying the phone number from which the order was submitted;
 - Verifying the accurate identification of the client who submitted the order.
- Orders may be submitted via **email** to broker@altabanka.rs using a secured internet service that prevents alteration of the received document. Orders can only be submitted by the Client or an authorized representative, using pre-defined email addresses. The email address used for order submission and the name of the authorized representative must be specified in the agreement.

Orders on behalf of the client may also be submitted by a third party with certified court authorization to manage securities.

The method of submitting orders via telephone or electronically is permissible only if stipulated in the client agreement, and if the agreement specifies a code for client identification.

Record of Received Orders

Article 5

All received orders, including those submitted to another investment firm, as well as orders for modification or cancellation, are immediately entered into the electronic Order Book by an authorized representative of the Bank. The Bank maintains the Order Book in chronological order of order receipt, including orders transmitted to another investment firm for execution, modifications, and cancellations. The Order Book includes, in particular, the following information:

The client's full name/company name or other identifier;

The full name/company name or identifier of the client's representatives;

The order number;

The date and exact time of receipt, modification, or cancellation of the order;

The identification code of the financial instrument;

The price of the financial instrument and the currency in which the price is denominated;

The quantity of the financial instrument;

The buy or sell designation;

The nature of the order if it is neither a buy nor sell order;

The type of order;

The status of the order;

All other details, conditions, and instructions related to the execution of the order.

When the Bank transmits orders for execution to another investment firm, the Order Book also includes:

The client's full name/company name or other identifier;

The company name or identifier of the investment firm to which the order was transmitted;

The date and exact time of order transmission or modification;

The conditions of order transmission.

Acceptance or Rejection of Orders

Article 6

The Bank will accept buy or sell orders if the financial instruments subject to the transaction are traded on a regulated market, a Multilateral Trading Platform (MTP), or an over-the-counter (OTC) market.

The Bank will accept a sell order if the client has sufficient securities in their ownership account.

The Bank will accept a buy order if the client has sufficient funds in a designated cash account to settle obligations arising from the execution of the securities purchase order. Entry into the Order Book constitutes the Bank's acceptance of the order.

The Bank is obligated to reject an order in the following cases:

If the execution of a buy or sell order would violate the provisions of the Capital Market Law or the Law on the Prevention of Money Laundering and Terrorist Financing;

If the execution of a buy or sell order would constitute an act considered a criminal offense, business violation, or misdemeanor under the law.

In cases of the aforementioned reasons for rejection, the Bank is obligated to immediately notify the Securities Commission.

When making the decision to reject an order, the Bank may rely on its own information or information provided by its clients, except when it is known that such information is outdated, inaccurate, or incomplete.

The Bank may reject execution in the following cases:

A buy order when it is determined that there are insufficient funds in the designated account to settle obligations arising from the order's execution;

A sell order when it is determined that the client does not have sufficient financial instruments in their ownership account to settle obligations arising from the order's execution.

The Bank is not obligated to reject the execution of an order if the client's order can be executed using realized but unsettled transactions, by granting credit with the client's consent under applicable regulations, or by lending financial instruments in accordance with lending rules.

The Bank will provide the Client, via a durable medium, immediately or no later than the next business day following the receipt of the order, with confirmation of the time and place of order receipt, modification, or cancellation, as well as confirmation of acceptance or rejection of order execution, including a mandatory explanation of the reasons for rejection.

Best Execution of Client Orders

Article 7.

When executing Client orders, the Bank will take all necessary measures to ensure the fair and efficient execution of Client orders in relation to the orders of other clients or the Bank. The Bank will ensure that when executing orders on behalf of the Client, it will:

Immediately and accurately enter order information into the order book;

Execute similar client orders promptly in accordance with the order reception time, unless market conditions or the nature of the order prevent this, or the Client's interests require a different approach;

Immediately and accurately categorize orders executed on behalf of the Client;

Take all necessary actions to ensure that after the settlement of obligations resulting from the executed order, financial instruments or funds are transferred in a timely and orderly manner to the Client's appropriate account;

Inform the Client of any significant difficulties regarding the execution of the order as soon as the Bank becomes aware of them.

The Bank is obliged to take all necessary steps when executing the Client's order to achieve the best possible outcome for the Client, considering the price of the financial instrument, costs, speed, execution capability, settlement costs, speed, and probability; the size, type, and nature of the order; and any other

circumstances relevant to the execution of the order. However, when the Client provides specific instructions regarding the transaction, the Bank will execute the order according to those instructions.

When the Bank receives a Client's order with specific instructions for its execution, the obligation to achieve the best possible outcome for the Client is considered fulfilled.

In determining the priorities and importance of executing Client orders, the Bank will take into account the following:

The characteristics of the Client (including their categorization as a retail or professional investor),

The characteristics of the Client's order,

The characteristics of the financial instrument to which the order relates,

The characteristics of the execution venue where the order can be directed.

In evaluating potential trading venues where a Client's order could be executed, the Bank will consider its commissions and fees for executing the order at each possible venue in a way that achieves the best outcome for the Client. The Bank will not determine or charge commissions and fees in a manner that would lead to inequality between trading venues where the order could be executed.

When the Client provides specific instructions regarding the execution of an order, the Bank must:

Respect the relevant factors for order execution to the extent necessary to fully comply with the Client's instructions;

Warn a retail Client that the order will be executed according to their instructions, not in accordance with the Bank's established policy regarding the execution of orders under the best possible terms.

When the Bank executes an order for a retail Client, the best possible outcome is determined in relation to the total transaction costs. Total transaction costs include the price of the financial instrument and all costs directly associated with the execution of the order, such as trading venue commissions, clearing and settlement fees, the Bank's commissions, and any other fees paid to third parties involved in the execution of the order.

The Bank will act in the Client's best interest even when orders are placed with another investment firm for execution, and will particularly consider the following:

Relevant factors for order execution, as well as the criteria based on which the importance of those factors is determined;

Adherence to the Client's instructions in relation to the Bank's policy regarding the execution of orders under the best possible terms.

Execution of Client Orders with Limits

Article 8.

The Bank will take all necessary measures to execute received orders as promptly as possible. Upon receipt of an order, the Bank will immediately publish and make it easily accessible to other market participants, which includes:

Forwarding limit orders to a regulated market or MTF with a trading system based on an order book;

Publishing orders immediately upon receipt and executing them as soon as market conditions allow, which includes taking measures to ensure:

The reliability of the information being published;

Ongoing monitoring of published information to promptly identify and correct any errors;

Consolidating information with identical information from other sources;

Making the information publicly available under equal conditions on a commercial basis with an acceptable cost.

The Bank is not obligated to publish limit orders if the order exceeds the usual market size established by the rules of the regulated market or MTF.

III. JOINING AND ALLOCATION OF CLIENT AND DEALER ORDERS

Article 9.

The Bank may combine a Client's accepted order or a dealer's order with another accepted Client order only if:

There are efficient policies for order allocation that precisely determine the joining and allocation of orders, including how the quantity and price of an order affect the allocation and how partially executed orders are handled;

It is unlikely that joining the orders would harm any Client whose order is being combined;

All combined orders form a collective order. The Bank will allocate collective orders arising from the combination of dealer orders and accepted Client orders as follows:

Orders must not be allocated in a way that harms the Client;

In the case of partial execution of the combined order, the Client's order will take precedence over the dealer's order;

It is not possible to reallocate dealer orders executed in combination with accepted Client orders in a way that harms the Client.

The Bank may proportionally allocate a dealer's order only if it proves that, without combining the dealer's order with the Client's accepted order, it would not be possible to execute the Client's accepted order on such favorable terms or that the Client's order could not be executed at all. The Bank will strictly adhere to the rules of the market organizer when dealing with the joining and allocation of Client orders and dealer orders.

IV. EXECUTION VENUE

Article 10.

When providing the service of executing and/or receiving and transmitting orders on behalf of and for the Client's account, the Bank will select an execution venue that allows for execution under the most favorable conditions. The execution venue may be: a regulated market (Belgrade Stock Exchange), MTF, or OTC. If the same financial instrument is traded on two or more organized markets, the Bank will consider the elements that influence the selection of the execution venue, which include: achieving the best possible outcome for the Client, price, costs, speed, and likelihood of execution, unless the Client provides an explicit directive regarding the execution venue.

V. RECORD KEEPING OF EXECUTED ORDERS

Article 11.

Each execution of an order must be recorded in the order book as follows:

After the order is executed;

After receiving confirmation of the transaction if the Bank transmits orders for execution to another investment firm.

The record of executed transactions must include:

The name and surname/business name or other identifier of the Client;

The date, time, and place of trading;

The identification code of the financial instrument;

The quantity of the financial instrument;

The individual and total price and the currency in which the price is expressed;

The buy/sell indication;

The nature of the transaction (if it is not a buy/sell transaction);

The authorized person who executed or is responsible for the execution of the transaction.

VI. CLIENT REPORTING REGARDING ORDER EXECUTION

Article 12.

The Bank is obligated to provide the Client with a notification of the execution of the order by the end of the first business day after the order execution, in the manner specified in the agreement with the Client. The Client cannot waive the right to be notified of the execution of the order but may instruct the Bank to send the notification to another person authorized by the Client.

VII. FINAL PROVISIONS

Article 13.

The Bank will inform Clients of any significant changes in its measures and policies regarding the execution of orders. The Bank will review its order execution policy, as well as the measures and procedures for order execution, once a year. The regulation is available to Clients on the website of ALTA Bank a.d. Belgrade at www.altabanka.rs and in the Bank's business premises.

The policy will be published on the Bank's website the next business day following the receipt of the Securities Commission's decision to approve these Rules.

The business rules enter into force 7 days after being published on the Bank's website.

EXECUTIVE BOARD MEMBER

Tatjana Kuljak

EXECUTIVE BOARD MEMBER

Dr Una Sikimić