



SUMMARY OF BEST INTEREST AND ORDER EXECUTION POLICY

Article 1

Objective of the Policy

- 1.1 In accordance with Directive 2014/65/EU of the European Parliament and of the Council (MiFID II), Investment Firms must take all sufficient measures to achieve the best possible outcome for their Clients when executing orders. These measures must be documented in the Summary of Best Interest and Order Execution Policy in accordance with section 73p of Act No 566/2001 on securities and investment services (and amending certain laws), as amended (the "SA") and Commission Delegated Regulation (EU) 2017/565. The Summary of Best Interest and Order Execution Policy applies to Clients who are classified as retail and professional Clients under MiFID II and to financial instruments falling within the scope of this Directive. If the Client does not provide a specific instruction, CAPITAL MARKETS, o.c.p., a.s. (hereinafter referred to as the "Brokerage Company") will attempt to execute the orders in accordance with this Policy.

Article 2

Approach to the Best Method of Orders Execution (so called "Best Execution")

2.1 Criteria for Order Execution

The execution of the orders is affected by several criteria:

- a) price,
- b) cost of the order execution,
- c) speed of order execution,
- d) likelihood of execution and settlement of the order,
- e) size of order,

together with other circumstances affecting the outcome of the order execution, taking into account the interests of the Client which are known to the Brokerage Company.

The Brokerage Company shall use the price of the financial instrument as a priority criterion, together with the costs associated with the order execution, including fees for Execution Venues, clearing and settlement fees, and any fees paid to third parties involved in the order's execution.

In situations where the Brokerage Company executes a Client's order in relation to financial instruments traded exclusively on OTC markets, the Brokerage Company will use the likelihood of execution and settlement of this order as a priority criterion. In such a case, the Brokerage Company, upon receipt of an order relating to financial instruments traded on OTC markets and obtaining the Client's consent to execute this order on OTC markets, will ensure the immediate execution of the Client's order based on the criterion of the likelihood of execution and settlement of the order. When executing orders on the OTC markets, the Brokerage Company shall check the fairness of the price proposed to the Client according to the collected data used for estimating the price of this product in comparison with similar products, if possible.

The Brokerage Company does not accept any remuneration, discount or non-monetary benefit for channeling Client's orders to a specific Execution Venue if it would be in violation with the SA. The Brokerage Company informs the Clients about the Execution Venue, and the periodic information includes information about the price and costs of the order execution.



2.2 Factors Affecting the Criteria for Order Execution

In executing a Client's order, the Brokerage Company attempts to achieve the best possible outcome considering the criteria of this Policy, whereby the best possible outcome for the Client is established based on consideration of the following factors:

- a) the Client's attributes, including the Client's categorisation as a retail or professional Client,
- b) the characteristics of the Client's order,
- c) the characteristics of the financial instruments that are the subject of the order,
- d) the characteristics of the Execution Venues to which this order can be transmitted.

If the Brokerage Company executes an order on behalf of the Client, the best outcome will be established by considering all conditions based on the price of the financial instrument and all costs related to the execution of the order.

The Brokerage Company is entitled, to assign higher priority to criteria other than price and costs in order to achieve the best possible result in the order execution, at its own discretion in the case of the Client, their orders, financial instruments or Execution Venues.

If there are circumstances in which other factors are relevant in the execution of orders for retail or professional Clients (e.g., orders that exceed the standard market size and orders for illiquid instruments), the Brokerage Company is entitled, at its sole discretion, to execute orders according to such other factors that, in the Brokerage Company's opinion, will lead to securing the best interests of the Client. The Brokerage Company shall not be liable for failure to execute the Client's order or for failure to use best efforts to ensure the obligations under this Policy in the event that execution or settlement does not occur due to the breach of Client's obligations.

In accordance with this Policy, a comparison of the results achieved through the execution of this Policy with the results that could have been achieved for the Client by another financial institution through the execution of that firm's Policy, or through a different fee and commission structure, shall not be considered to be an assessment of the best possible outcome.

In order to ensure that an Order is executed with the best possible result where there are multiple competing Execution Venues for the order execution, to evaluate and compare the results for the Client that can be achieved by executing the Order at each Execution Venue, the Brokerage Company's commissions and costs for executing the Order at the eligible Execution Venues must be considered. A Brokerage Company cannot structure or charge fees or commissions through a method that unfairly discriminates between Execution Venues.

2.3 Execution Venues

Execution Venues are entities to which Final orders executions are placed (i.e., are fully executed). "Execution Venue" means a regulated market (e.g. a stock exchange), MTF, systematic internaliser, market maker or other liquidity provider or an entity that performs a function similar to any of the above in a third country. A list of Execution Venues used by the Brokerage Company for each financial instrument is available at www.capitalmarkets.sk/mifid and www.investingfox.com. The list of Execution Venues is not exhaustive but includes Execution Venues that the Brokerage Company emphasises when executing Client orders in accordance with this Policy. In addition, the Brokerage Company reserves the right to add or remove specific Execution Venues as it considers appropriate in connection with the execution of the Policy. The list of Execution



Venues for individual financial instruments will be reviewed and updated by the Brokerage Company on a regular basis in order to identify those Execution Venues that will enable the Brokerage Company to consistently obtain the best possible results for the order execution. If the Order Execution Venue is not specified by the Client and the Order Execution Venues offer comparably good conditions, the determining factors shall be the speed and likelihood of the order execution. When determining Execution Venues, the Brokerage Company also considers various qualitative factors. The Brokerage Company shall prove, upon the Client's request, that the Order has been executed in accordance with the Policy.

The Brokerage Company will update the list of Execution Venues at www.capitalmarkets.sk/mifid and www.investingfox.com, whereby the Brokerage Company is not obliged to inform the Clients about the changes made in the list of Execution Venues. For this reason, the Brokerage Company recommends the Client to follow the latest list of Execution Venues, which will be updated periodically. The Brokerage Company may in certain circumstances use Execution Venues that are not listed in the Venue List, e.g. when executing an order of an unusual instrument for the Brokerage Company. The Brokerage Company shall regularly evaluate whether the Execution Venues listed in the Summary of Best Interest and Order Execution Policy provide the best possible result for the Client or whether changes to the execution mechanisms are required.

The Brokerage Company evaluates and selects Execution Venues based on a variety of criteria, including (but not limited to) the following:

- a) the regulatory status of the institution;
- b) the ability to deal with a large volume of Orders;
- c) the speed of execution;
- d) the competitiveness of commission rates and spreads;
- e) the reputation of the institution;
- f) the ease of doing business;
- g) the legal terms of the business relationship;
- h) the financial status of the institution;
- i) various qualitative criteria such as clearing schemes, circuit breakers and scheduled actions.

2.4 Execution of the Order

The Brokerage Company executes an order in accordance with this Policy based on one or a combination of the following methods.

- a) The order can be executed directly on the selected regulated market, MTF or OTF. In case the Brokerage Company is not a direct participant of the relevant market, MTF or OTF, the Brokerage Company may transmit the order to a third market participant with which it exercises the mechanisms for order execution on this regulated market, MTF or OTF.
- b) The Order execution may be transferred to another Investment Firm or Brokerage Company, whereby the Brokerage Company determines the final Execution Venue and provides due instruction to the other Investment Firm or Brokerage Company or ensures that the Investment Firm or Brokerage Company has mechanisms in place that enable the Brokerage Company to comply with the Brokerage Company's own Policy.
- c) An order from a list of financial instruments may be executed outside a regulated market, MTF or OTF, if the Brokerage Company itself is an Execution Venue or through a systematic internaliser or market maker



or other liquidity provider. However, in order to execute an order from the list of financial instruments outside a regulated market, MTF or OTF, the Brokerage Company must obtain the Client's prior consent. Such consent is not required when executing orders outside a regulated market, MTF or OTF for those not listed on the list of financial instruments. In the event that the Client has given a specific instruction, the parties agree that these principles or part of them cannot be applied.

Otherwise comparable Client orders shall be executed according to the time of their receipt by the Brokerage Company. When executing Client orders, the Brokerage Company:

- ensures that orders executed on behalf of Clients are promptly and accurately recorded and allocated;
- executes otherwise comparable Client orders sequentially and immediately, unless the characteristics of the order or prevailing market conditions make this impossible;
- informs the retail Client of any significant difficulties relating to the proper order execution as soon as it becomes aware of the difficulties.

2.5 Specific Instruction

In the event that the Client provides specific instructions for the order execution, e.g. specifies the Execution Venue, the Brokerage Company executes this order in accordance with the specific instruction and considers all sufficient measures taken to obtain the best possible execution of this order in accordance with this specific instruction.

In the case of a specific Client instruction, the Client acknowledges that the specific Client instruction may prevent the Brokerage Company from taking the measures that the Brokerage Company has designed and implemented in its Policy for the purpose of obtaining the best possible result in the execution of those orders with regard to the features contained in those orders.

2.6 Policy for Transmitting Orders

If the Brokerage Company receives a Client's order and transmits it to a third party (e.g. another securities broker) for the purpose of its execution, the Brokerage Company does not waive its obligation to ensure all necessary measures in order to obtain the best possible result for the Client. The Brokerage Company only transmits Client orders to third parties that have an order execution policy in line with the "best execution policy". This policy enables the Brokerage Company to comply with its obligations under the law when executing or transmitting orders to such entity for execution. Third Parties are listed in the List of Execution Venues document published on the Company's website at www.capitalmarkets.sk/mifid and www.investingfox.com.

2.7 Types of Orders

- a) A market order is an order that is executed as quickly as possible and at the current price. By executing this order, a trading position is opened. Financial instruments are bought at the ASK price and sold at the BID price. Stop Loss and Take Profit orders may be attached to the market order.

All types of orders offered by the Brokerage Company are executed as Market Orders.

- b) A pending order is an order that allows a user to buy or sell financial instruments in the future at predefined prices. These Pending Orders are executed when the price reaches the desired level. However, it should be noted that under certain trading conditions it may not be possible to execute these orders at the price requested by the Client. In such case, the Brokerage Company is entitled to execute the order at the first available price. This may occur, for example, during periods of sharp price fluctuations, rising or falling within a single trading session to such an extent that trading is suspended or restricted under the rules of the relevant exchange, or when there is insufficient liquidity, or at the opening of trading sessions.

It is to be noted that Stop Loss and Take Profit orders can be attached to a Pending Order. Pending Orders remain valid until they are cancelled. The Brokerage Company offers the following types of Pending



Orders: Buy Limit, Buy Stop, Sell Limit, or Sell Stop orders for accounts used to receive or transmit Client's orders in financial instruments to another entity for execution (known as STP).

- c) A Take Profit order is intended to gain profit when the price of a financial instrument reaches a certain level. The execution of this order results in the complete closing of the entire position. This order is always connected to an open position or a Pending Order. This order can only be requested together with a market or Pending Order. Within this order type, the Brokerage Company's trading platform checks long positions with a BID price to meet this order's requirements (the order is always placed above the current BID price), and similarly short positions with an ASK price (the order is always placed below the current ASK price). The Take Profit order is executed when the price reaches the requested level (stated price).
- d) A Stop Loss order is used to minimise losses if the price of a financial instrument has moved in an unprofitable direction. If the price of the financial instrument reaches this level, the entire position is automatically closed. These orders are always attached to an open position or a pending order. They can only be requested together with a market or pending order. Within this order type, the Brokerage Company's trading platform checks long positions with a BID price to meet this order's requirements (the order is always placed below the current BID price), and similarly short positions with an ASK price (the order is always placed above the current ASK price). Stop Loss orders are executed at the first available price.
- e) A trailing stop order is an order in which the stop price is set automatically, according to the market price. It is necessary to define a distance from the market price. In a sell order, if the market price reaches a new high, the stop price is set by the defined distance from the new lower price. If the market price falls, the stop price does not change and the order is executed when the market price falls below the stop price. In the case of a buy, if the price falls, the stop price also falls. A buy is executed if the market price starts to rise and exceeds the stop price. A limit or market order is then placed in the market according to the characteristics of the order.

Article 3

Best Execution Method by Type of Financial Instrument

The principles described in this Policy do not restrict the Brokerage Company from acting unless it considers that such action would not result in the order execution with the objective of obtaining the best possible result for the Client. In such exceptional circumstances, the Brokerage Company will attempt to execute orders in the most favourable manner possible under standard circumstances.

3.1 Shares

The Brokerage Company shall consider whether the most liquid market generally provides the best possible conditions in terms of prices and costs and will therefore generally place orders in the domestic market for financial instruments.

3.2 CFD

a) Fairness of price: for a particular CFD, the Brokerage Company will quote two prices: a higher price (ASK), at which the Client can buy the CFD, and a lower price (BID), at which the Client can sell the CFD. The ASK and BID prices are collectively referred to as the Brokerage Company's price. The difference between the lower and higher price of a particular CFD is the spread. Orders such as Buy Limit, Buy Stop and Stop Loss, Take Profit,



Trailing Stop are executed at the ASK price for open short positions. Orders such as Sell Limit, Sell Stop and Stop Loss, Take Profit and Trailing Stop are executed at the BID price for open long positions.

The Brokerage Company's price for a particular CFD shall be calculated based on the price of the relevant underlying asset obtained by the Brokerage Company from external third-party reference sources. Brokerage Company's prices are listed on www.investingfox.com or trading platforms. The Brokerage Company updates its prices as often as the available technology and communication lines allow. The Brokerage Company reviews external third-party reference sources from time to time to ensure that the obtained data remain competitive. The Brokerage Company will not quote prices outside of its business hours (see Execution Venues below) and therefore outside of these times Clients cannot place orders, to ensure that prices obtained and then passed on to Clients remain competitive, the Brokerage Company performs certain qualitative ex-ante and ex-post checks. These checks include, but are not limited to, reviewing system settings/parameters, comparing prices with reputable price sources, ensuring spread symmetry and checking the speed of price updates.

If the price reaches the order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Trailing Stop, Sell Limit or Sell Stop, these orders will be executed immediately. However, under certain trading conditions, it may not be possible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Trailing Stop, Sell Limit or Sell Stop) at the price requested by the Client. In this case, the Brokerage Company is entitled to execute the order at the first available price. This may occur, for example, in times of sharp price fluctuations, if the price rises or falls within one trading session to the point when, according to the rules of the relevant exchange, trading is suspended or restricted, or it occurs at the opening of trading sessions. The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Trailing Stop, Sell Limit and Sell Stop orders for a particular CFD is specified in the Contract between the Brokerage Company and the Client.

b) Costs: the Brokerage Company does not charge a commission or add surcharges to the quoted prices of CFDs (unless expressly stated).

The Brokerage Company obtains prices from external third-party reference sources and quotes them to its Clients without adding a surcharge or charging a commission.

The Brokerage Company also obtains its swap pricing (relating to a particular type of CFD) from external third-party reference sources such as Liquidity Providers and (unless expressly stated) does not add a surcharge to the quoted swap prices.

However, please note that the Brokerage Company still receives commissions/incentives from its Liquidity Providers in relation to the transmission of Client Orders to the Liquidity Provider for execution. The Client has the right to contact the Brokerage Company for clarification of these commissions.

(In the case of individual Client Accounts, types of Client Accounts or CFDs that may be subject to surcharges, including surcharges/additional fees for swaps, are disclosed at www.investingfox.com.)

c) Speed of Execution: the Brokerage Company does not execute the Client's CFD order itself without an intermediary, therefore the Brokerage Company is not an Execution Venue (within the meaning of the Commission Directive 2006/73/EC implementing MiFID) for the execution of the Client's order. The Brokerage Company transmits the Client's orders or arranges for their execution by third party(ies). However, the Brokerage Company places considerable emphasis on the speed of execution of the Client's orders and aims to provide high speed execution, which takes approximately 300 milliseconds, within the capabilities of the technology and communication lines.

d) Likelihood of Execution: if the Brokerage Company transmits the execution of orders or executes them via another party, the execution itself may be more difficult. The likelihood of execution depends on the availability



of prices of other market makers/financial institutions. In some cases, it may not be possible to arrange an order for execution, such as but not limited to the following: during news release times, at the opening of trading sessions, during volatile markets when prices may rise, fall or move significantly away from the declared price, when there is a sharp price fluctuation, when there is insufficient liquidity for execution of a specific volume at the declared price, or as a result of a force majeure event. In the event that the Brokerage Company is unable to transmit an order due to price or any other reason, the order will not be executed. In addition, the Brokerage Company shall be entitled at any time and at its sole discretion, and without notice or explanation to the Client, not to accept or refuse to transmit or to arrange for the execution of any order, request or instruction of the Client in the circumstances explained in the Agreement /GTC.

In order to improve the speed and likelihood of execution, the Brokerage Company performs certain qualitative ex-ante and ex-post checks. Such checks include, but are not limited to, symmetric slippage checks, the number of trades subject to slippage and a comparison of the average execution speed to industry standards.

e) Likelihood of settlement: the Brokerage Company shall proceed to settle all transactions after they have been executed. The CFD financial instruments offered by the Brokerage Company do not involve delivery of the underlying asset, so there is no settlement as, for example, if the Client had bought shares. All CFD transactions are cash-settled.

f) Size of order: The applicable minimum order size may be different for each type of Client Account. A lot is a unit measuring the transaction amount and it is different for each type of CFD. The value of the minimum order size and each lot for a particular type of CFD can be found at www.investingfox.com. Should the Client wish to execute a larger size order, the price may become less favourable in some cases. The Brokerage Company reserves the right to decline an order if its size is too large and it cannot be executed by the Brokerage Company or for any other reason specified in the Agreement between the Client and the Brokerage Company. The value of the maximum amount per transaction can be found at www.investingfox.com.

g) Market Impact: Some factors may rapidly affect the price of the underlying instruments/products from which the Brokerage Company's quoted price is derived and may also affect other factors listed in this document. The Brokerage Company will take all sufficient steps to achieve the best possible result for its Clients.

- 3.3 The Brokerage Company does not consider the above list to be exhaustive and the order in which the above factors are presented does not represent their priority. However, when the Client submits specific instructions, the Brokerage Company must ensure that execution of the Client's order is in accordance with those instructions.

Article 4

Monitoring and Updating

- 4.1 The Brokerage Company will monitor the effectiveness of the order execution mechanisms and its own strategy to identify and, if necessary, correct any deficiencies. For example, the Brokerage Company will periodically assess whether the Execution Venues specified in the Policy are providing the best possible result for the Client or whether there is a need to make changes to the execution mechanisms. The Brokerage Company shall notify the Client of any significant changes to the order execution mechanisms or strategy.

Article 5

General Consent of the Client



- 5.1 The Client's consent is required if the Brokerage Company would not be able to transmit orders but would from time to time internalise orders or execute orders outside a regulated market or multilateral trading facility or organised trading facility. The Client's prior consent is also required where, in certain cases, limit orders in listed shares are not published. In accordance with section 73p of the SA, the Brokerage Company is obliged to provide its Clients with information on the Policy and, at the same time, is obliged to obtain the Client's prior consent to the Policy prior to the provision of the investment service.
- 5.2 The provisions of this Article do not apply to the services provided by the Brokerage Company through the Platform.

Article 6

Confirmation of the Best Method of the Order Execution

- 6.1 The Client is entitled to request a confirmation from the Brokerage Company that their orders have been executed in accordance with this Policy.

Article 7

Final Provisions

- 7.1 The Brokerage Company shall annually compile data on the achieved quality of the executed orders. The Brokerage Company shall also annually prepare and publish a summary of information from the top five Execution Venues in terms of trading volumes on an annual basis where Client orders were executed in the previous year.
- 7.2 The Brokerage Company shall publish all relevant information relating to the Policy via its website www.capitalmarkets.sk/mifid or www.investingfox.com.
- 7.3 This Summary of Best Interest and Order Execution Policy was approved by the Brokerage Company's Board of Directors on 27 October 2023.

Summary of Best Interest and Order Execution Policy was published on 27 October 2023.