

Nordea Execution Policy

1 January 2025

Nordea Bank Abp has approved this execution policy (“Execution Policy”), which was last updated in January 2025.

1. Purpose of the Execution Policy – on a continuous basis to achieve the best possible results when executing orders and transactions

This Execution Policy provides information on how Nordea Bank Abp (“Nordea”) seeks to provide the best possible results for its clients on a continuous basis when Nordea executes or transmits client orders and transactions in Financial Instruments (as defined below), when operating in the European Economic Area, as required by the Markets in Financial Instruments Directive 2014/65/EC (“MiFID”).

This Execution Policy applies to the extent described herein when trading with Nordea and when Nordea executes orders in provision of portfolio management services. Services provided by Nordea are also subject to the relevant applicable Terms & Conditions.

Best Execution is the requirement of Nordea, as a regulated investment firm, to take all sufficient steps to obtain the best possible results for our clients when executing orders and transactions or transmitting orders to other entities for execution, taking into account certain execution factors and criteria and determining their relative importance, as well as execution methods and selection of execution venues. These are outlined in this policy.

A summary of this Execution Policy specifically intended for Retail (Non-Professional) Clients can be found at www.nordea.com/mifid/

The appendices listed below shall be read together with this Execution Policy. Each appendix covers the respective classes of financial instruments and specifies how the Execution Policy is applied, the priority of the execution factors, the order process, which execution venues are used, and how Nordea monitors the effectiveness of the execution.

- Cash Equities (shares, exchange-traded products and depositary receipts)
- Debt Instruments (fixed income)
- Credit Derivatives (credit default swaps)
- Interest Rate Derivatives
- Foreign Exchange Products (FX)
- Structured Bonds
- Listed Equity Derivatives
- Other OTC Transactions

2. Scope

The Best Execution requirements apply to the following investment services: (i) execution of orders and transactions on behalf of clients, (ii) reception and transmission of client orders and transactions, and (iii) portfolio management. Products in scope of the Best Execution requirements are Financial Instruments as defined under MiFID.

2.1 Non-Professional Clients

In relation to Non-Professional Clients Nordea owes a duty of Best Execution to orders and transactions in Financial Instruments. However, in rare situations, where Nordea receives Requests for Quotes (RFQs) from Non-Professional Clients and where the client is not placing legitimate reliance on Nordea to protect the client's interest in relation to the pricing and other elements of the transaction, Best Execution will not be applied.

2.2 Professional Clients

In relation to Professional Clients, Nordea owes a duty of Best Execution to orders and transactions in Financial Instruments, except in circumstances where Nordea receives RFQs and assesses that the clients do not legitimately rely on Nordea to provide Best Execution.

In this assessment Nordea will take into account the following four factors¹, taken together, and based on that determine whether the Professional Clients are indeed legitimately relying on Nordea or not:

- Which party that initiates the transaction. Where Nordea approaches the client and proposes a transaction, it is more probable that Nordea will owe a duty of Best Execution. Where the client initiates the transaction, it is less likely that the client will be relying on Nordea to achieve Best Execution
- Market practice with respect to the relevant Financial Instrument. Where it is a market convention that clients approach several firms for a quote, the clients could not expect Nordea to owe a duty of Best Execution.
- The relative level of price transparency in the market. For markets where clients do not have ready access to prices, whereas Nordea does, it is more probable that Nordea will owe a duty of Best Execution.
- Information provided by Nordea (where Nordea has expressly agreed to provide Best Execution to the client).

2.3 Eligible counterparties and non-MiFID business

Nordea does not owe a duty of Best Execution on orders and transactions from eligible counterparties or to non-MiFID business. Nevertheless, Nordea will act honestly, fairly and professionally in accordance with the client's best interests.

2.4 Agreement to execute

Nordea has the right, at any time and for any reason, to decline to execute an order or transaction. Furthermore, where Nordea has routed an order to a trading venue, but where it has not yet been executed, Nordea may subsequently cancel or reject such order if the trading venue rejects or cancels such order due to the rules of that trading venue (for

¹ The so-called four-fold test as presented by the EU Commission in 2007

example where the limit price on an order deviates substantially from the current bid/ask spread).

Nordea will inform you if Nordea is unable to execute your order or transaction.

3. Execution factors, total consideration and relative importance

3.1 Execution factors

When deciding how to execute an order or transaction Nordea will take into account the following factors:

- price – the fair price at which a Financial Instrument is executed
- costs – all costs related to the order or transaction, including implicit costs such as the possible market impact, explicit external costs including exchange or clearing fees and explicit internal costs, which represent Nordea's own remuneration through commission or spread
- speed of execution – the time it takes to execute the order or transaction
- likelihood of execution and settlement – the likelihood that Nordea will be able to complete the order or transaction
- size of the order or transaction – the size of the order or transaction executed for a client, accounting for how this affects the price of execution (typically only relevant for large transactions)
- any other considerations relevant to the execution of the order or transaction (for example market impact) – how the particular characteristics of the order or transaction can affect how Best Execution is achieved.

3.2 Price setting

Nordea adopts the following approach to the setting of prices for orders and transactions. The total price provided to a client is made up of the base price plus costs and charges:

- Base price: the price that Nordea would face to hedge the order or transaction in the interbank market or on other external venues, whether realised or estimated. The base price includes adjustments, if any, for Nordea's view on market risk factors and how Nordea seeks to position itself in the market according to such risk factors.
- Costs and charges: This includes all costs and charges that are related to the order or transaction performed by Nordea or a third party.

3.3 Non-Professional Clients – total consideration

When Nordea executes an order or transaction on behalf of a Non-Professional Client,

the provision of Best Execution will be determined in terms of the total consideration²

Speed, likelihood of execution and settlement, the size and nature of the order or transaction, market impact and any other implicit costs may be given precedence over the immediate price and cost considerations only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the Non-Professional Client.

3.4 Professional Clients - relative importance of execution factors

Nordea will, using its reasonable judgement, weigh the execution factors at the time of execution in accordance with the client's characteristics, the type of order or transaction, the Financial Instrument involved, the relevant execution venues and the prevailing market conditions.

3.5 Special Circumstances

In special circumstances Nordea may deviate from the prioritisation of the execution factors. Such special circumstances may include particularly large transactions, transactions in illiquid instruments, if certainty of execution and market impact are deemed more important, or if severe market disruptions prevent Nordea from following the prioritisation outlined in this Execution Policy.

4. Our different methods of execution and Specific Instructions

4.1 Execution on a Trading Venue

When trading with a client, Nordea may at its own discretion execute the order or transaction itself or transmit it to a third party broker/financial institution ("Broker") for execution.

When executing an order or transaction Nordea will use Brokers possessing specific and adequate arrangements to satisfy the requirements of Best Execution. Subsequent to receiving an order or transaction to which this Execution Policy applies, Nordea will normally route the order or transaction directly to execution venues which are chosen in accordance with this Execution Policy.

The decision on how orders or transactions are executed on potentially multiple trading venues is dependent on multiple factors, such as the relevant order or transaction type or specific instructions in place as well as the trading venue's suitability for that order or transaction or the availability of the relevant order or transaction type.

Nordea may execute an order or transaction on a single trading venue, i.e. a regulated

² i.e. the price of the relevant Financial Instrument plus the costs related to the execution of the order. These costs will include all expenses incurred by the client which are directly related to the execution of the order (such as execution venue fees and clearing and settlement and any other fees paid to third parties involved in the execution of the order).

market, an MTF (Multilateral Trading Facility) or an OTF (Organised Trading Facility) or a Broker or choose to use automated order routing systems or algorithmic order execution solutions depending on the characteristics of the order or transaction.

When using automated order routing and/or algorithmic order execution solutions, the orders are routed to various venues depending on several variables such as the type of Financial Instrument, client instructions and market conditions.

Orders and transactions may be dynamically amended during their life cycle, for example by changing the allocation of volume across trading venues in case this is considered desirable for Best Execution purposes.

4.2 Execution outside trading venues

Subject to consent from the client, Nordea may execute orders or transactions outside trading venues.

Execution outside trading venues covers both (i) orders or transactions that are executed by an investment firm acting as a systematic internaliser in the particular Financial Instrument and, (ii) pure bilaterally agreed over the counter (OTC) order or transactions, either between two investment firms, neither acting as a systematic internaliser in the particular Financial Instrument, or between an investment firm not acting as a systematic internaliser and a non-investment firm client.

Nordea may be acting as a systematic internaliser (against Nordea's own account) when executing such orders or transactions outside trading venues. Nordea's Commercial Policy, specifying the Financial Instruments for which Nordea is a systematic internaliser, is available at www.nordea.com/mifid.

Nordea may also execute such orders or transactions against Nordea's own account as a market maker or liquidity provider. When executing orders or transactions against Nordea's own account the client will have a counterparty risk on Nordea.

4.3 Execution through Brokers

Where Nordea does not have a membership of the relevant trading venue, the order or transaction will be executed via a Broker. The Broker will execute the order or transaction on such trading venue or alternatively transmit it to another third party. Typically, the Broker is a credit institution, investment firm or similar intermediary.

When executing orders or transactions by transmitting them to Brokers, Nordea takes all sufficient measures to select Brokers that provide Best Execution on a continuous basis.

4.4 Aggregation and allocation of orders

When carrying out orders for clients, Nordea will usually execute comparable orders

sequentially. All client orders will be handled in a timely manner, taking into account the characteristics of the order and prevailing market conditions unless the instructions or interests of the client require otherwise.

Nordea may aggregate client orders with those of other clients, or a transaction for Nordea's own account, to be executed at the same time. Aggregation will only occur if it is unlikely that it will work overall to the disadvantage of any client whose order is to be aggregated. However, it is possible that the aggregation could be disadvantageous in relation to a specific client order.

An aggregated order that has been executed will be allocated at the average price. Where an aggregated order has only been partly executed, the allocation will be proportionate to the relative size of the order. Where a client order has been aggregated with a transaction for Nordea's own account and the aggregated order is only partially executed, the client will be given priority in the allocation.

4.3 Specific Client Instructions

Where a client provides Nordea with specific instructions on how all or part of its order or transaction should be executed, Nordea will execute that order or transaction in accordance with those instructions. The specific instructions from the client will take precedence over what is stated in this Execution Policy. This means that specific instructions from the client may signify that Nordea should not follow the procedures set forth in this Execution Policy but will have satisfied its obligations to obtain the best possible result for the execution of the order or transaction by following the specific instructions.

If the client has given specific instructions which apply only to one part or one aspect of an order or transaction, Nordea still owe a duty of Best Execution to the part of the order or transaction that is not covered by the specific instructions of the client.

Examples of specific instructions would be if a client requests Nordea to execute an order at a specific price or at a specific trading venue.

5. Selection of execution venues/Brokers

5.1 Execution venues

When selecting suitable execution venues for execution of orders or transactions, Nordea will take sufficient steps to select execution venues that consistently allow for the best result to be achieved.

Nordea takes the following specific factors into consideration when selecting suitable execution venues, including primarily such venues' liquidity (that is, spread, depth, market share etc.) and likelihood of both execution and settlement, but also any other

circumstance that Nordea considers relevant to the selection of such execution venues.

An updated list of the main execution venues that Nordea uses can be found at www.nordea.com/mifid.

5.2 Brokers

Brokers to whom Nordea passes orders or transactions are carefully chosen. Selection is carried out via regular reviews of the Brokers' ability to provide Best Execution and their ability to enable Nordea to fulfil its obligations under relevant legislation, regulations and this Execution Policy.

When choosing the Broker, Nordea will, in addition to the above-mentioned factors, consider factors that Nordea deems important from time to time. Such factors could for example be Nordea's general assessment of and confidence in the Broker, but also to which trading venues the Broker has access.

Nordea may at its own discretion provide specific instructions to a Broker, for example to execute the order or transaction at a specific trading venue in order to achieve Best Execution.

6. Reservations and matters beyond Nordea's reasonable control

In the event of system disruption, irregularities, breakdown or exceptional market conditions beyond Nordea's reasonable control, Nordea may execute orders or transactions on other trading venues than those mentioned in the list of execution venues published on www.nordea.com/mifid.

In such exceptional circumstances, Nordea may also execute or transmit orders or transactions subject to other considerations than set forth in this Execution Policy. In such cases, Nordea will, with all possible means, execute the order or transaction in an alternative way and in the clients' best interest, under the best possible conditions for the clients given the relevant circumstances.

7. Monitoring, review and information on material changes

To ensure the best possible result of execution and transmission of orders or transactions, Nordea will have a monitoring procedure to observe, on a continuous basis, the effectiveness of its order execution arrangements, this Execution Policy and the execution venues used for execution of transactions as well as the Brokers to whom Nordea transmits transactions for execution, for the purpose of identifying any deficiencies and subsequently, make changes to its order execution arrangements and/or this Execution Policy.

Nordea will review the effectiveness of this Execution Policy (including the Financial Instrument specific appendices) and its execution arrangements at least annually and when a material change occurs. Nordea will update this Execution Policy and correct any deficiencies within a reasonable period.

A material change is a significant event that could impact the parameters of Best Execution such as cost, price, speed, likelihood of execution and settlement, size or nature of the order or transaction or any other considerations relevant to the execution of the order or transaction.

Nordea will notify clients with whom we have an ongoing relationship of any material changes to our execution arrangements or this Execution Policy.

The addition or removal of execution venues or Brokers is generally not considered a material change unless it is one of the main venues/Brokers that Nordea relies on for execution of orders or transactions in a certain class of Financial Instruments.

Non-material changes will only be published on www.nordea.com/mifid.

8. Consent

In order for Nordea to provide execution services to its clients, Nordea's clients are required to accept this Execution Policy together with the terms and conditions for the respective brokerage service. Where the client has not previously accepted this Execution Policy, the client accepts this Execution Policy by submitting a transaction for execution to Nordea.

For further information please contact your relationship manager at Nordea.

Execution Policy Appendix

Cash Equities

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements in relation to Cash Equity products. This includes the following products:

- ordinary shares
- exchange-traded funds (ETFs)
- warrants and certificates (ETPs)
- depositary receipts
- investment funds (UCITS and alternative investment funds).

2. The order/quote handling process

Nordea deals in cash equities with clients through the receipt of orders or request for quotes (RFQs) as set out below

Orders

Nordea can receive orders in cash equity products from clients through multiple channels, meaning that a range of fully automated order routing solutions and order routing strategies as well as manual interaction can be applied. Specialised execution teams monitor order activity to ensure efficient processing of orders.

More complex orders received either via electronic communication lines based on FIX standards or via recorded phone or message systems and/or including specific instructions will be handled by specialised execution teams or sales trading units. During such order handling various algorithms may be used to obtain the best result for the client given the nature of the order. The purpose of using trading algorithms is to facilitate execution by seeking liquidity across markets and to reduce the market impact by executing orders over time and across trading venues. A major part of the execution algorithms is developed and operated by external vendors. The algorithms are integrated into Nordea's order management system and are subject to specific approval and application of testing, limit controls and other safety parameters.

Nordea's Best Execution arrangements apply to all the below order types and subsequent transactions in cash equity instruments where Nordea as an agent transmits orders or in a principal capacity executes orders on behalf of our Professional and Non-Professional Clients:

- **Market orders:** These are orders received from the client to execute a transaction in a given Financial Instrument for a specific size and direction at the current market price. In cash equity products, these are also referred to as immediate orders. They include standard block orders which are large in size.
- **Limit orders, trigger orders (including stop-loss orders) or orders with specific instructions:** These are order types where the price or other considerations are defined by the client defining when/how to execute the order.
- Orders relating to investment funds are orders based on subscription and redemption instructions from our clients with respect to units/shares in investment funds. Nordea will execute or transmit such orders by placing the order with the fund management company or equivalent or with a Broker or other intermediary for execution in accordance with the relevant investment fund rules or equivalent rules.

Professional Clients using Nordea's Electronic Access service, allowing clients to use Nordea's trading infrastructure, may place orders with a higher degree of complexity and the arrangements for their execution are specifically adapted for that. The Electronic Access arrangements generally include access to more order types and routing strategies and require separate agreements with Nordea. Nordea's Best Execution obligations would be limited to those elements of the execution not covered by client specific instructions or, in the case of direct electronic access, not within the client's control.

RFQs

An RFQ is a request from a client for Nordea's price for a specific product. Nordea accepts RFQs for cash equities via the following channels:

- phone
- electronically via multi-dealer platforms

Tailoring of the product depends on the specific client needs.

Nordea does not generally consider Best Execution applicable for RFQs for cash equity instruments, as RFQs are initiated by the client and there is a conventional market practice of multiple competing investment firms involved in responding to such RFQs, plus a high level of price transparency. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test,

Best Execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests.

3. Prioritisation of Execution factors

To achieve Best Execution of cash equity instruments Nordea will take into account the execution factors prioritised as described below.

The execution factor "Likelihood of settlement" is generally not considered to be a significant factor in equity markets and not listed below as settlement follows formal clearing procedures or is otherwise organised to facilitate timely settlement where Nordea holds a membership. When using Brokers for the execution, settlement takes place bilaterally and Nordea holds responsibility for such settlement.

For Non-Professional Clients Nordea will provide Best Execution assessed on the basis of total consideration, representing the price of the cash equity product and the costs relating to execution. Other execution factors may be given precedence to total consideration only insofar as they are incremental in delivering the best possible result in terms of total consideration.

For Professional Clients the relative importance of the execution factors differs from the above as orders or transactions typically involve larger volumes and higher complexity, implying that price (excl costs) and size have higher relative importance. Higher complexity execution could for example be orders or transactions that potentially have a market impact and could affect prices if routed directly. Therefore, other considerations and likelihood of execution are also considered of relatively high importance, including considerations related to the selection of a suitable strategy such as executing orders as child orders and/or using algorithmic execution.

This means that the relative importance of the execution factors may be applied in the below order if no other considerations are influencing the execution:

1. Price
2. Size
3. Other considerations / likelihood of execution
4. Costs
5. Speed

4. Execution venues

Nordea is a member of the Nordic trading venues (exchanges). Further, Nordea uses Brokers on markets where we are not a member, e.g. for non-Nordic cash equity execution. Nordea assesses execution venues and Brokers to make sure they provide the best possible results for our clients:

- Nordea reviews the exchange venue memberships annually in order to assess the level of quality of execution Nordea can achieve on these venues. Nordea assesses several factors but attaches the highest relative importance to qualitative parameters such as coverage of instrument classes in the relevant market and system set-up as well as quantitative levels of prices via transaction cost analysis (TCA), available liquidity and clearing schemes possible to achieve.
- Nordea also reviews the external Brokers annually using a combination of quantitative TCA and qualitative evaluation through meetings with and documentation on the selected Brokers.

A list of our trading venue memberships and Brokers can be found at www.nordea.com/mifid

Nordea can also execute orders and transactions in shares and ETFs as a systematic internaliser.

Execution Policy Appendix

Debt Instruments

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements in relation to Debt Instruments. This includes the following fixed income products (FI products):

- corporate bonds
- sovereign bonds
- covered bonds
- convertible bonds
- other public bonds
- commercial papers

2. The order/quote handling process

Nordea deals in FI products with clients through the receipt of orders or requests for quotes (RFQs), as set out below

Orders

Nordea accepts the following type of orders for FI products from clients:

- **Limit orders:** These are orders from the client to buy or sell a volume of a FI product at a specified limit price.

Nordea will provide Best Execution of limit orders by respecting the specific instructions given by the client to execute the transaction in the requested instrument, direction and size at the specified price provided that market liquidity allows it.

RFQs

An RFQ is a request from a client for Nordea's price for a specific product. Nordea accepts RFQs for FI products via the following channels:

- voice or chat

- electronically via multi-dealer platform

Nordea generally does not consider Best Execution applicable for RFQs for FI products, as RFQs are initiated by the client and there is a conventional market practice of multiple competing investment firms involved in responding to such RFQs, plus a high level of price transparency. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, Best Execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests.

3. Prioritisation of Execution factors

To achieve Best Execution of FI products, Nordea will take into account the execution factors prioritised in the below order. Nordea will generally focus on optimising the first three factors (price, costs and speed) when dealing in FI products and may change the order of importance depending on the characteristics of the specific transaction or instructions from the client.

For Non-Professional Clients Nordea will provide Best Execution assessed on the basis of total consideration, representing the price of the FI product and the costs relating to execution.

1. Price
2. Costs
3. Speed
4. Likelihood of execution and settlement
5. Size
6. Nature of the order or transaction or any other considerations relevant to the execution of the order or transaction.

4. Execution venues

The execution venue can either be Nordea or electronic venues. A list of main venues where Nordea's clients can access liquidity electronically can be found here www.nordea.com/mifid

Nordea almost always trades FI products on a principal basis. When not acting as principal, Nordea will act as Broker and execute orders or transactions on an exchange for execution.

Execution Policy Appendix

Credit Derivatives

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements in relation to Credit Default Swaps (CDSs). This includes the following products:

- credit default swaps
- customised credit default swaps

2. The order/quote handling process

Nordea deals in CDSs with Professional Clients on a request for quotes (RFQ) basis. Nordea does not accept orders for CDSs from clients,

RFQ

An RFQ is a request from a client for Nordea's price for a specific product. Nordea accepts RFQs for CDSs via the following channels:

- voice or chat

Nordea does not generally consider Best Execution applicable for RFQs for CDSs to Professional clients, as RFQs are initiated by the client, there is a conventional market practice of multiple competing investment firms involved in the RFQ process, which indicates price transparency in the market. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, Best Execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests.

3. Prioritisation of Execution factors

To achieve the best possible results for transactions where best execution applies, Nordea will take into account the execution factors prioritised in the below order. Nordea will generally focus on optimising the first three factors (price, costs and size) when dealing

in CDSs and may change the order of importance depending on the characteristics of the specific transaction or instructions from the client.

1. Price
2. Costs
3. Size
4. Speed
5. Likelihood of execution and settlement
6. Nature of the transaction or any other considerations relevant to the execution of the transaction.

4. Execution venues

In the majority of instances Nordea will be the execution venue for CDSs. A list of main venues where Nordea's clients can access our liquidity electronically can be found here www.nordea.com/mifid

Nordea trades CDS products on a principal basis. The client's counterpart can be Nordea or a central counterparty (CCP) clearing house. This will be agreed with the client when the trade is entered into.

Execution Policy Appendix

Interest Rate Derivatives

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements in relation to Interest Rate Derivative products (IRDs). This includes the following products:

- interest rate swaps
- cross currency swaps
- caps
- floors
- swaptions
- other interest rate derivatives not covered in the above categories

2. The order/quote handling process

Nordea deals in IRDs with clients through the receipt of request for quotes (RFQ) or orders as set out below.

Orders

Nordea accepts the following types of orders for IRDs from clients:

- **Specific price orders:** This is an order to enter into an IRD for a given volume and maturity at a specified limit price within an agreed time period when the order price is accessible in the market.

Nordea will provide Best Execution of specific price orders by following the instructions as far as reasonably possible in accordance with those instructions and once the agreed limit price has been reached by either executing the order in the market, taking the risk onto the trading book or through a combination of both.

- **Market Orders:** These are orders from the client to execute a transaction in a given Financial Instrument for a specific size, direction and maturity at the current market price.

Nordea will provide Best Execution of market orders at best price orders by executing the order at the best price possible for the specified volume and maturity as soon as practicable given current market conditions.

RFQs

An RFQ is a request from a client for Nordea's price for a specific product. Nordea accepts RFQs for IRDs via the following channels:

- voice or chat
- electronically via multi-dealer platform

Nordea does not generally consider Best Execution applicable for RFQs for IRD instruments, as RFQs are initiated by the client and there is a conventional market practice of multiple competing investment firms involved in responding to such RFQs, plus a high level of price transparency. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, Best Execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests, where Best Execution obligation does not apply.

3. Prioritisation of Execution factors

To achieve Best Execution of IRDs, Nordea will take into account the execution factors prioritised in the below order. Nordea will generally focus on optimising the first three factors (price, costs and size) when dealing in IRDs and may change the order of importance depending on the characteristics of the specific order or transaction, or instructions from the client.

For Non-Professional Clients Nordea will provide Best Execution assessed on the basis of total consideration, representing the price of the IRD and the costs relating to execution.

1. Price
2. Costs
3. Size
4. Speed
5. Likelihood of execution and settlement
6. Nature of the order or transaction or any other considerations relevant to the execution of the order or transaction.

4. Execution venues

In the majority of instances Nordea will be the execution venue for IRDs. A list of main

venues where Nordea's clients can access our liquidity electronically can be found here www.nordea.com/mifid

The client's counterpart can be Nordea or a central counterparty (CCP) clearing house. This will be agreed with the client when the trade is entered into.

Where the MiFIR trading obligation is applicable, an authorised trading venue for IRDs will be the execution venue.

Execution Policy Appendix

Foreign Exchange Products

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements in relation to Foreign Exchange products (FX products). This includes the following products:

- FX forwards
- FX non-deliverable forwards (NDFs)
- FX swaps
- FX options

2. The order/quote handling process

Nordea deals in FX products with clients through the receipt of orders or requests for quotes (RFQs) as set out below.

Orders

Nordea accepts only NDF orders from clients. NDF orders are placed either directly with a sales person via phone/chat or electronically on a single-dealer or multi-dealer platform. Nordea accepts the following type of NDF orders:

- **Market Orders:** These are orders from the client to execute a transaction in a given Financial Instrument for a specific size and direction at the current market price. In FX, market orders (at best, at worst) are orders from the client to buy or sell a volume of a currency pair with the aim of achieving the best possible outcome based on the client's instructions and available liquidity. Nordea will provide Best Execution of Market Orders by executing the order at the best price possible for the specified volume and currency pair as soon as practicable given current market conditions.

RFQs

An RFQ is a request from a client for Nordea's price for a specific product. Nordea

accepts RFQs for FX products via the following channels:

- voice or chat
- electronically via multi-dealer platform
- electronically via single-dealer platform
- electronically via APIs (e.g. FIX)

Nordea does not generally consider Best Execution applicable for RFQs for FX products, as RFQs are initiated by the client and there is a conventional market practice of multiple competing investment firms involved in responding to such RFQs, plus a high level of price transparency. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, Best Execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests, where Best Execution obligation does not apply.

3. Prioritisation of Execution factors

To achieve Best Execution of FX products, Nordea will take into account the execution factors prioritised in the below order. Nordea will generally focus on optimising the first three factors (price, costs and speed) when dealing in FX products and may change the order of importance depending on the characteristics of the specific transaction or instructions from the client.

For Non-Professional Clients Nordea will provide Best Execution assessed on the basis of total consideration, representing the price of the FX product and the costs relating to execution.

1. Price
2. Costs
3. Speed
4. Likelihood of execution and settlement
5. Size
6. Nature of the transaction or any other considerations relevant to the execution of the transaction.

4. Execution venues

The execution venue can either be Nordea or electronic venues where clients access our liquidity. A list of main venues where Nordea's FX clients can access our liquidity electronically can be found here www.nordea.com/mifid.

Execution Policy Appendix

Structured Bonds

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements in relation to Structured Bonds (SBs). SBs are structured products – defined as a note with an embedded derivative in the form of structured credit, structured equity, complex rate risk, FX risk or any combination/hybrid of these. SBs can be issued by Nordea or another issuer and arranged by Nordea or another arranger.

2. The order/quote handling process

Nordea deals in SBs with clients through the receipt of orders or request for quotes (RFQ).

Orders

Nordea accepts orders electronically from clients for SBs that Nordea has set up in systems. Nordea accepts the following types of orders from clients for SBs:

- **Market orders:** These are orders from the client to execute a transaction in a given Financial Instrument for a specific size and direction at the current market price.

Nordea will provide Best Execution of market orders by immediately routing the client's order to the exchange where the SB is listed.

- **Limit orders:** These are orders from the client to buy or sell a volume of a given Financial Instrument at a specified limit price.

Nordea will provide Best Execution of limit orders by immediately routing the client's order to the exchange where the SB is listed.

RFQs

An RFQ is a request from a client for Nordea's price for a specific product. Nordea accepts RFQs for SBs via the following channels:

- voice or chat
- electronically via own or multi-dealer platform

Nordea does not generally consider Best Execution applicable for RFQs for SBs, as RFQs are initiated by the client and there is a conventional market practice of multiple competing investment firms involved in the RFQ process, which indicates price transparency in the market. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, best execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests.

3. Prioritisation of Execution factors

To achieve Best Execution of SBs, Nordea will take into account the execution factors prioritised in the below order. Nordea will generally focus on optimising the first three factors (likelihood, price, and size) when dealing in SBs and may change the order of importance depending on the characteristics of the specific order or transaction or instructions from the client. For Non-Professional Clients Nordea will provide Best Execution assessed on the basis of total consideration, representing the price of the SB and the costs relating to execution.

1. Likelihood of execution and settlement
2. Price
3. Size
4. Costs
5. Speed
6. Nature of the order or transaction or any other considerations relevant to the execution of the order or transaction.

4. Execution venues

The execution venue can either be Nordea or electronic venues where clients access our liquidity.

Nordea largely trades SBs on a principal basis. When accepting and routing client orders or transactions to the exchange where the SB instrument is listed, Nordea will act as broker but may also be the principal when the order or transaction is executed on the exchange. This is especially the case if the SB is manufactured by Nordea. A list of main venues where Nordea's SB clients can access our liquidity electronically can be found here www.nordea.com/mifid

Execution Policy Appendix

Listed Equity Derivatives

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements and explains the arrangements in place when handling transactions in relation to Listed Equity Derivatives (LEDs). This includes the following products:

- listed equity futures (including look-alikes traded via own book)
- listed equity options (including look-alikes traded via own book).

2. The order/quote handling process

Orders

Nordea deals in LEDs with clients mainly through phone, Bloomberg chats or via electronic communication lines. This means that a limited range of order routing solutions and order routing strategies can be applied and specific agreements for dealing such instruments are required per client.

Orders and transactions from Non-Professional Clients typically agreed via phone are considered limited in size and if not considered complex they are transmitted electronically following a pre-defined order routing logic with a low degree of manual interaction. Similar orders or transactions agreed via electronic communication lines based on financial information exchange (FIX) standards from Professional Clients will also follow a pre-defined order routing logic with low touch interaction.

More complex orders or transactions agreed either directly, via electronic communication lines based on FIX standards or via recorded phone calls and/or including specific instructions will be handled by specialised sales trading units.

Nordea accepts the following types of orders:

- **Market orders:** These are orders received from the client to execute a transaction

in a given Financial Instrument for a specific size and direction at the current market price. For LED instruments, these are also referred to as immediate orders. They include standard block orders which are large in size.

Nordea's Best Execution arrangements apply to all the above order types and subsequent transactions in LED instruments where Nordea as an agent transmits orders or in a principal capacity executes orders on behalf of our Professional and Non-Professional Clients.

- **Limit orders, trigger orders (including stop-loss orders) or orders with specific instructions:** These are order types where the price or other considerations are defined by the client, with controls in place as to when to execute the order.

Nordea will provide Best Execution of limit, trigger and specific instructions orders by following the instructions as far as reasonably possible in accordance with those instructions. However, specifics of the instructions may prevent us from taking the steps that we have put in place to obtain the best possible result for execution of the order.

Professional Clients using Nordea's Electronic Access service, allowing clients to use Nordea's trading infrastructure, may execute orders or transactions with a higher degree of complexity and the arrangements for their execution are specifically adapted for that. Electronic Access arrangements generally include access to more order types and routing strategies and require separate agreements with Nordea. Nordea's Best Execution obligations would be limited to those elements of the execution not covered by client specific instructions or, in the case of direct electronic access, not within the client's control.

RFQs

An RFQ is request from a client for Nordea's price for a specific product. Nordea accepts RFQs for LEDs via the following channels:

- phone
- electronically via multi-dealer platform

Tailoring of the product depends on the specific client needs.

Nordea does not generally consider Best Execution applicable for RFQs for LED instruments, as RFQs are initiated by the client, and there is a conventional market practice of multiple competing investment firms involved in responding to such RFQs, plus a high level of price transparency. However, in certain circumstances, where the

client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, best execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests.

3. Prioritisation of Execution factors

To achieve Best Execution of LEDs Nordea will take into account the execution factors prioritised as described below.

The execution factor "Likelihood of settlement" is generally not considered to be a significant factor in equity markets and not listed below as settlement follows formal clearing procedures or is otherwise organised to facilitate timely settlement where Nordea holds a membership. When using Brokers for the execution, settlement takes place bilaterally and Nordea holds responsibility for such settlement.

For Non-Professional Clients Nordea will provide Best Execution assessed on the basis of total consideration, representing the price of the LED products and the costs relating to execution. Other execution factors may be given precedence to total consideration only insofar as they are incremental in delivering the best possible result in terms of total consideration.

For Professional Clients the relative importance of the execution factors differs from the above as orders or transactions typically involve larger volumes and higher complexity, implying that price (excl costs) and size have higher relative importance. Higher complexity execution could for example be orders or transactions that potentially have a market impact and could affect prices if routed directly or other considerations such as the liquidity of the underlying instrument and the maturity of the order or transaction.

This means that the relative importance of the execution factors may be applied in the below order if no other considerations are influencing the execution:

1. Price
2. Size
3. Other considerations / cost
4. Speed
5. Likelihood of execution.

4. Execution venues used

Nordea is a member of the Nordic trading venues (exchanges) for execution of LEDs. Further, Nordea uses Brokers on markets where we are not a member, e.g. for non-Nordic listed equity derivatives execution.

Nordea can also execute LED orders or transactions via Nordea's own book as principal

trading.

Nordea assesses execution venues and Brokers to make sure they provide the best possible results for our clients:

- Nordea reviews the exchange venue memberships annually in order to assess the level of quality of execution Nordea can achieve on these venues. Nordea assesses several factors but attaches the highest relative importance to qualitative parameters such as coverage of instrument classes in the relevant market and system set-up as well as quantitative levels of prices via transaction cost analysis (TCA), available liquidity and clearing schemes possible to achieve.
- Nordea also reviews the external Brokers annually using a combination of quantitative transaction cost analysis (TCA) and qualitative evaluation through meetings with and documentation on the selected Brokers.

A list of our trading venue memberships and Brokers can be found at www.nordea.com/mifid

Execution Policy Appendix

Other OTC Transactions

1 January 2025

1. Products in scope

This appendix to Nordea's Execution Policy provides further details regarding the application of Best Execution requirements and explains the arrangements in place when handling transactions in relation to Other OTC Transactions. This includes the following products:

- equity total return swaps (TRS)
- fixed income total return swaps (FI TRS)
- equity forwards and equity options (where Nordea acts as principal in the transactions and which are not look-alikes to listed derivatives)
- equity variance swaps, equity dividend swaps and equity correlation swaps
- securities borrowing and lending (SBL)
- repos

2. The order/quote handling process

Orders

Nordea conducts Other OTC Transactions with Professional clients through phone or Bloomberg chats. This means that a limited range of order routing solutions and order routing strategies can be applied and specific agreements for dealing such instruments are required per client. Nordea only accept orders for Other OTC Transactions via our RFQ process:

RFQs

An RFQ is a request from a client for Nordea's price for a specific product. Nordea accepts RFQs for Other OTC Transactions via the following channels:

- phone
- electronically via multi-dealer platform

Tailoring of the product depends of the specific client needs.

Nordea does not generally consider Best Execution applicable for RFQs for Other OTC Transactions, as RFQs are initiated by the client and there is a conventional market practice of multiple competing investment firms involved in the RFQ process, which indicates price transparency in the market. However, in certain circumstances, where the client is deemed legitimately reliant on Nordea to protect its interests by reference to the Four-fold test, best execution is owed to the client. Nevertheless, Nordea continues to act honestly, fairly and professionally in accordance with the client's best interests.

Limit orders or orders with specific instructions (applicable to SBL only)

These are orders where the price or other considerations are defined by the client, with controls in place as to when to execute the order.

Nordea will provide Best Execution of limit and specific instructions orders by following the instructions as far as reasonably possible in accordance with those instructions. However, specifics of the instructions may prevent us from taking the steps that we have put in place to obtain the best possible result for execution of the order.

3. Prioritisation of Execution factors

To achieve the best possible results for transactions where best execution applies, Nordea will take into account the execution factors prioritised as explained below.

OTC equity derivatives

For Professional Clients, multiple considerations are at play for OTC equity derivative orders or transactions as they often include tailored aspects, however generally, an important execution factor is the execution price of the OTC equity derivative and funding costs. Further factors such as liquidity of the underlying, maturity of the derivative and counterparty credit risk are of importance due to the fact that they define the production cost for Nordea.

This means that the relative importance of the execution factors may be applied in the below order if no other considerations are influencing the execution:

1. Price
2. Cost
3. Size
4. Speed
5. Likelihood of execution and settlement
6. Nature or any other consideration relevant to the execution of an order or transaction.

SBL and repos

For Professional Clients, mainly the price but multiple considerations are at play for SBL and repos as they often include tailored aspects affecting the price (see below). Further, factors such as likelihood of settlement and collateral quality are also of relatively high importance because many clients use SBL to secure coverage of short positions.

This means that the relative importance of the execution factors may be applied in the below order if no other considerations are influencing the execution:

1. Price (i.e. loan fee or interest rate of the SBL or the repo transaction)
 - Value of the loan
 - Stability of the order or transaction (duration), short term vs long term
 - Client credit quality and netting status and collateral criteria/quality
 - Portfolio or market constraints
2. Likelihood of settlement
3. Cost
4. Size, i.e. the availability of lendable securities
5. Speed

4. Execution venues

Nordea will execute orders or transactions on a principal basis; hence the execution venue will be Nordea.