

# Best Execution Policy

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## Definitions

### All Venues

LSE, Chi-x, BATS & Turquoise.

### ATS

Alternative Trading Systems are United States EC approved non-exchange trading venues specifically designed to match buyers and sellers to find counterparties for transactions.

### BATS

BATS Europe is an MTF offering secondary market trading for pan-European equity securities.

### BCP

Business Continuity Plan, which is a plan detailing the steps, actions and procedures to be taken in the event of a disaster to ensure continuous use of the Order Management System (OMS).

### CFD

Contract for Differences is an arrangement made in a futures contract whereby differences in settlement are made through cash payments, rather than the delivery of physical goods or securities.

### Chi-x

Chi-x Europe (a wholly-owned subsidiary of BATS) is an MTF offering secondary market trading for pan-European equity securities.

### COBS

The FCA Conduct of Business Sourcebook sets out the conduct of business requirements as they apply to UK regulated entities.

### Cofunds

Cofunds Limited. The operator of a platform for the trading, settlement and custodianship of II'S's UCITS business.

### Commission de Surveillance du Secteur Financier (CSSF)

The CSSF is the Luxembourg authority that supervises the Luxembourg financial sector.

### Counterparties

Third party investment firms and brokers which may trade for themselves, act as market makers, market internalisers and as liquidity providers.

### Execution Factors

The CSSF rules, as directed by MIFID II and other applicable regulations, set out a number of "execution factors" which must be considered when executing an order. These are:

- the price of the financial instrument;
- the costs related to execution;
- the speed of settlement;
- the likelihood of execution and settlement;
- the size of the order;
- the nature of the order; and
- any other consideration relevant to the execution of an order.

### EMS

Exchange Market Size is the minimum quantity, as specified by the LSE, of securities for which a market maker is obliged to quote a firm two way price on the trading system.

### EEA

The European Economic Area.

### EMIR

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

### ETF

Exchange traded funds.

### Equivalent Third-country Trading Venue

A non-EEA venue assessed as equivalent to a Trading Venue in accordance with Article 25(4)(a) MiFID II.

### Execution Venue

A regulated market, an MTF, a systematic internaliser, or a market maker or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing.

### Extended Settlement

The standard settlement period for UK trades is two working days. Anything traded with a settlement date beyond that is classed as extended settlement.

### Fill or Kill

An order that must immediately be filled in its entirety or, if this is not possible, it is cancelled.

### FCA

The Financial Conduct Authority is the independent, non-governmental statutory body that regulates the financial services industry in the UK.

### FSB

Financial Spread Bet is a type of CFD that involves making a bet on the price movement of a security.

### Funds

Regulated collective investment schemes, as defined in the Glossary to the FCA handbook.

### Interactive Investor ("II")

Interactive Investor is a subsidiary business located in the United Kingdom that provides the securities trading / transactional services for Internaxx Bank S.A..

### INTERNAXX BANK S.A.

Internaxx Bank S.A., a duly licensed bank, having its registered office at 2 rue Edward Steichen, L-2958 Luxembourg and registered with the Luxembourg trade and companies register under number B 78729.

### ISDX

ICAP Securities & Derivatives Exchange, a London-based stock exchange providing cash trading and listing, derivatives and technology services acting as a regulated market and an MTF.

### IFS

Intelligent Financial Systems Limited. A Company that provides market data and analysis tools.

### KRI

Key Risk Indicator

### Limit Order

An order to buy or sell a set number of shares at a specified price or better.

### LSE

London Stock Exchange is the primary stock exchange in the UK.

### Market Maker

A member firm of the LSE which is registered as such and is obliged to quote prices in at least the EMS.

### Market Order

An order to buy or sell a stock immediately at the best available current price.

### MiFID

The Markets in Financial Instruments Directive is a European Union directive 2004/39/EC that aims to integrate European financial markets and to facilitate the amount of cross border investment orders.

### MiFID II

The Markets in Financial Instruments Directive 2014/65 that aims to reinforce the current European rules on securities markets.

### MiFIR

Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

### MTF

A Multilateral Trading Facility (e.g. BATS, Chi-x & Turquoise) offers retail investors and investment firms an alternative venue to trading on an RIE.

### NBBO

National Best Bid and Offer refers to the United States SEC requirement that brokers are required to execute customer trades at the best available price when buying or selling securities.

### OMS

II'S's proprietary UK Order Management System.

### OTC

Over-the-Counter transactions, i.e. transactions not traded on regulated markets and/or multilateral trading facilities.

### OTF

Organized Trading Facility means a multilateral system which is not a regulated market or an MTF and in which multiple third -party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in accordance with Title II of MiFID II.

## Policy

The present Best Execution Policy.

## Primary Exchange

The main market by volume and value for trading within a country.

## Proquote

Proquote Limited is a company owned by the LSE/IRESS. It provides real-time market data coverage of the global markets, trading and best execution services.

## Regulated Market

A multilateral system operated and/or managed by a market operator such as the LSE, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with Title III of MiFID 2.

## RFQ

Request for Quote is the UK model for price discovery with RSPs responding to an automated request for a price quotation.

## RIE

Recognised Investment Exchange is a market place in which stocks and bonds in listed securities are traded such as the LSE.

## RSP

Retail Service Providers are market makers who receive Order Flow from the Order Management System to enable electronic trading in UK Listed Securities.

## RSPs

Retail Service Providers.

## RTS 27

Commission Delegated Regulation (EU) 2017/575 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards concerning the data to be published by execution venues on the quality of execution of transactions.

## RTS 28

Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

## SEC

The United States Securities and Exchange Commission.

## STP

Straight Through Processing is a solution that automates the end-to-end processing of client orders.

## Stop Loss

An order placed to automatically sell a security when it falls to a certain price.

## TDA

TD Ameritrade.

## TDS

TD Securities.

## Turquoise

An MTF offering secondary market trading for pan-European equity securities.

## Trading Venue

A Regulated Market, an MTF or an OTF.

## UBS

UBS AG. A counterparty for the trading, settlement and custodianship of II'S European and Asia Pacific Equity trading.

## UK Listed Securities

Securities listed or admitted to trading on the LSE.

## UCITS

Undertakings for Collective Investment in Transferable Securities are open-ended Collective Investments such as "Unit Trusts and OEICs".

## Yellow Strip

The yellow band on a "Stock Exchange Automated Quotations" or "Stock Exchange Electronic Trading System" screen which displays the highest bid and the lowest offered prices that competing market makers are offering in a security. They are known as the best bid and offer, 'touch' or 'yellow strip' prices.

## Best Execution – Internaxx Bank's Commitment

This document provides information about how we deliver Best Execution of client's orders. It includes questions and answers Internaxx Bank S.A. believes might be asked in order to understand what it does and why when satisfying its obligations to clients.

### 1. Background

Internaxx Bank S.A. may use the brokerage, settlement and custodial facilities of Interactive Investor (II).

As such, Internaxx Bank S.A., for the purpose of executing Clients' orders by applying its own best execution policy, delegate the effective execution of Clients' orders to II which applies its own best execution policy being also compliant with MiFID, MiFID II and MiFIR.

The II trading service is designed to facilitate online trading in global securities markets. Their trading platform seeks to deliver as close to 100% Straight Through Processing (STP) as possible to those clients wishing to execute trades.

The objective of delivering a global online securities trading service on an STP basis is a key factor in how II defines what it considers to be the best possible result for trades placed by clients.

When executing or receiving and transmitting orders and notwithstanding any delegation to II, Internaxx must take all sufficient steps to achieve its best execution policy.

### 2. Internaxx Bank S.A.'s relationship with clients

In case of a delegation of the execution of Clients' orders, Internaxx Bank S.A. will ensure that II, will maintain the FCA permissions required to permit trading as an agency stockbroker/outsourcer provider of trading services to its clients and will be compliant with all applicable provisions of MiFID II, MiFIR as well as any other rule of conduct. Any change in II's FCA permissions will be reviewed by Internaxx Bank S.A. and an alternative service provider should be sought if required to do so to ensure its own compliance with MiFID, MiFID II and MiFIR.

All Internaxx Bank S.A. clients are, as a matter of principle and unless otherwise provided, classified as retail clients for regulatory purposes affording them the highest protection under the regulatory regime.

This Policy, in accordance with MiFID II and MiFIR, does not apply to transactions executed with clients classified as eligible counterparties by Internaxx Bank S.A.

### 3. What is Best Execution?

Best execution is a regulatory obligation for Internaxx Bank S.A. to take all sufficient steps when executing orders (or receiving and transmitting orders) on behalf of its clients to obtain the best possible result for its clients in the context of its documented best execution policy as required by MiFID II, to the extent applicable.

In summary Internaxx Bank S.A. is required to take into account the following factors as defined by MiFID II directive:

- price
- costs
- speed
- likelihood of execution and settlement
- size
- nature; and,
- any other consideration relevant to the execution of an order.

### 4. How is Best Execution Policy determined?

As part of its best execution policy, Internaxx Bank S.A. covenants that in case of a delegation of the execution of Clients' orders, II will provide an online share trading service with STP that seeks to make sure orders are only placed with credit worthy institutions.

In accordance with MiFID II Guidelines, when executing a client order, Internaxx Bank S.A. (or its Counterpart, as applicable) must take into account the following criteria for determining the relative importance of the execution factors:

- the characteristics of the client including the categorisation of the client as retail or professional;
- the characteristics of the client order;
- the characteristics of financial instruments that are the subject of that order;
- the characteristics of the execution venues to which that order can be directed.

This is considered in Internaxx Bank S.A.'s best execution policy. The Policy is prepared with this in mind as II's market experts keep Internaxx Bank S.A. up to date with market practice and developments. The Policy is subject to review and approval at various levels within Internaxx Bank S.A. including by the Board of Directors.

For retail clients, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs relating to the execution, which shall include all expenses incurred by that retail client which are directly relating to the execution of the order including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

## 5. Does Best Execution guarantee that the price received will always be the best quoted for the trade?

Internaxx Bank S.A. has balanced the factors involved in providing best execution in a way designed to deliver the online service offered. Internaxx Bank S.A. will generally give to the price component the highest degree of importance for orders executed on behalf of its clients. Internaxx Bank S.A. also considers other factors important to client's best interests.

These include:

- the need for timely execution,
- availability of price improvement,
- the liquidity of the market (which may make it difficult to execute an order),
- potential price impact,
- the size of the order, the nature of the financial transaction, and
- the credit worthiness of the institution with whom we ultimately place your order.

For these reasons and when delegating the execution of Clients' orders to II, they not automatically seek prices from all RSP's because many do not offer adequate stock coverage, consistent price availability and from a balance sheet perspective do not meet II's strict financial criteria.

Although II may not always get the best price, II does undertake comprehensive monitoring of its trading performance across a number of venues to ensure that these instances are minimal.

Internaxx Bank S.A. service is designed as far as possible to ensure orders are dealt in its entirety on a STP basis, as fast as reasonably possible at the price quoted or better. This approach is taken to ensure an online service that protects clients' best interests and ensuring as far as possible trades' security.

## 6. How are specific instructions treated?

In case of a delegation of the execution of Clients' orders to II, the Counterpart will ensure the flexibility to accommodate a number of different client requirements when handling dealing instructions. A standard instruction would be an execution-only instruction to deal 'at best' in the market on a T+2 settlement depending on the market. Anything beyond this would be classified as specific instructions. II is required to execute the order following the specific instruction.

Acting on a specific instruction may prevent Internaxx Bank S.A. from taking steps to obtain the best possible result for the execution of clients' order in respect of the elements covered by the specific instruction. Internaxx Bank S.A. will be treated as having satisfied the best execution obligation in respect of the part or aspect of the order to which the specific instructions relate. However, where any specific instructions cover only one part or aspect of the order, this will not be treated as releasing Internaxx Bank S.A. from the best execution obligations in respect of any other part or aspect of the order that are not covered by such instructions.

Internaxx Bank S.A. is required under MiFID II to promptly inform retail clients of any material difficulties that would prevent Internaxx Bank S.A. from properly carrying out their order upon becoming aware of such difficulty. Whilst this obligation only applies to retail clients, Internaxx Bank S.A. will endeavor to similarly inform professional clients on a best efforts basis.

## 7. How to know if an order was dealt in accordance with your Best Execution Policy?

Trades are monitored to check that they are placed in accordance with Internaxx Bank S.A. best execution policy. Upon request a written explanation can be provided of how a trade met the best execution policy. Internaxx Bank S.A. will use reasonable endeavors to deal with such a request within twenty (20) business days.

## 8. How are UK Market orders routed?

In case of a delegation of the execution of Clients' order to the II order management system polls those RSPs that it has chosen based on competitive pricing and financial stability. When a trade is placed, the OMS polls the RSPs and will automatically display and trade at the best price returned. In the event that an order cannot be executed electronically the client will be given the option to send the order through by phone.

## 9. How are international market orders routed?

In case of a delegation of the execution of Clients' orders to II, II may sub-delegate international orders to other Counterparties who II considers to be established market leaders in the markets in which they operate and who are considered by Internaxx Bank S.A. as providing, at least, the same level of protection to Clients as it does. They will either trade directly on the Primary Exchange, MTF, OTF or via an OTC transaction that offers the best price and liquidity for orders placed.

## 10. How are mutual fund orders routed?

In case of a delegation of the execution of Clients' orders to II, II will, in establishing venues for trading in funds, by entering into arrangements with selected counterparties whereby orders are transmitted to them for execution.

In developing and maintaining counterparties trading relationships IIII will, on its own responsibility and subject to prior approval and regular control by Internaxx Bank S.A., connect to those counterparties that are believed to be the ones that can best assist in achieving the fund trading objectives outlined in the best execution policy.

## 11. How are trading volumes managed during busy periods?

There may be some instances where, notwithstanding any effective delegation of execution of Clients' orders, II is unable to poll all those RSPs on its platform. These would include during extreme market conditions or loss of electronic connection. In these circumstances II may poll a reduced number of RSPs to ensure that the order is executed in a timely manner. When this happens II will continue to ensure that the best price is achieved for the order from the RSPs polled.

## 12. How often is the Best Execution Policy reviewed?

A commitment to undertake a review of the best execution policy and order execution arrangements on an annual basis is taken. Internaxx Bank S.A. also commits to review the best execution policy of its Counterpart on an annual basis to ensure that its Counterpart's best execution policy complies with the provisions of Internaxx Bank S.A. best execution policy and offer, at least, the same level of protection to the client. A review and revision is carried on when any material change occurs that affects the order execution arrangements. This disclosure will be updated in line with material trading developments. Any updates will be reflected in this document and can be accessed by client direct request.

Internaxx Bank S.A. will inform its clients by issuing an update on its website [www.internaxx.com](http://www.internaxx.com) on a regular basis.

In accordance with MiFID II, Internaxx Bank S.A. is required to make certain execution quality data and information on its top five execution venues publically available.

The reporting obligations relating to the publication of execution quality data require Internaxx Bank S.A. to provide the following information on a quarterly basis;

- Information on execution venue and financial instruments;
- Price;
- Costs;
- Likelihood of execution;
- Additional information for continuous auction order book and continuous quote driven execution venues; and
- Additional information for request for quote execution venues.

Internaxx Bank S.A. is further required to publish on an annual basis a list of the top five execution venues for each class of financial instruments traded.

### 13. Execution Venues

The Execution Factors will contribute to the Counterpart's decision when selecting execution venues for executing Clients' orders upon instruction from Internaxx Bank S.A. to do so.

When selecting execution venues, II select those execution venues that are competitive primarily on price, cost, speed of execution, likelihood of execution and size of the order. II polls a number of Retail Service Providers (RSPs) for prices when executing client orders and it is important that these trades can be executed at the best available price and as quickly as possible.

In the UK, II executes trades on a number of execution venues, for overseas trades II transmits orders to chosen counterparties who themselves use multiple market centres for trade execution.

In the UK, the venue II has selected for trades in UK securities is the London Stock Exchange (LSE). This is because the LSE is the dominant UK exchange for retail client orders with a comprehensive rule book designed to provide an orderly market.

For international trading, Execution Venue selection is undertaken by counterparties to which II has sub-delegated the order and which have been chosen based on the international markets that we wish to offer.

II may transmit orders to UBS and TDA for execution in the US.

II may transmit orders to TDS for execution in Canada.

TDS employs routing technology which is able to assess all available Venues simultaneously (both traditional exchanges and ATS) and to direct orders to the markets that it considers are most likely to fill the order in its entirety, at the best possible price.

II is regularly assessing the Execution Venues and Counterparties against its best execution policy and related criteria to ensure that the execution of orders comply with and provide, at least, the same degree of protection as Internaxx Bank S.A.'s best execution policy. .

The table below lists the Execution Venues currently used and comprises those Execution Venues on which significant reliance is placed. II reserves the right to use other Execution Venues and third parties where it considers that it is appropriate in the light of Best Execution Policy, and may from time to time add or remove an Execution Venue or third party from this list.

Financial Instrument	Execution Venue	Primary Venue
UK Equities/ Covered Warrants / Exchange Traded Funds / Exchange Traded Commodities	London Stock Exchange ICAP Securities & Derivatives Exchange	Primary Venue
Government & Corporate Bonds	London Stock Exchange Turquoise Exchange	Primary Venue
European Equities	France - Paris Euronext Belgium - Brussels Euronext Germany - Frankfurt Xetra Ireland - Irish Stock Exchange Italy - Milan Stock Exchange Netherlands - Amsterdam Euronext Spain - Madrid SIX Swiss Exchange Sweden - Stockholm UBS Securities	Primary Venue
U.S Equities and Bonds	NASDAQ OMX Group New York Stock Exchange Citadel Execution Services Citigroup Direct Edge KCG NYSE Arca Equities UBS Securities Two Sigma (SOHO) LAVA (Part of Citi) Canaccord	Client order is directed to the venue that offers a price better than or equal to the National Best Bid or Offer.
Canadian Equities and Bonds	Toronto Stock Exchange Canadian Venture Exchange CSE Alpha Pure Omega Omega Lynx Chi-X Chi-X 2 Triact TMX Select* Omega Lynx	Client order is directed to the venue that offers a price better than or equal to the National Best Bid or Offer.
Unit Trust and OEICS	Respective Fund Manager CoFunds Fundsettle	Share class, Net Settlement and STP capacity
Asia Pacific	Australian Stock Exchange Hong Kong Stock Exchange Singapore Stock Exchange UBS Securities	Primary Venues

II will undertake on-going assessments of the execution venues used to determine whether existing venues continue to provide for the best possible result for clients and also to review the suitability of new execution venues. In making this assessment II will utilise information derived from their internal best execution monitoring tools and processes as well execution quality data reported by execution venues under MiFID II and its implementing measures.

This will include the following factors:

- i. Price;
- ii. Liquidity;
- iii. Execution and clearing costs;
- iv. Clearing arrangements such as settlement reliability;
- v. Execution venue trading controls; and
- vi. Scheduled actions.

In executing or delegating the execution of client orders to II, Internaxx Bank S.A. does not receive any remuneration, discount or nonmonetary benefit for routing client orders to a particular execution venue which would infringe any conflicts of interest or inducement requirements under MiFID II, and in particular Article 24(9) MIFID II. Internaxx Bank S.A. does not partake in any payment for order flow arrangements.



## Trading obligations in shares and derivatives

Internaxx Bank S.A. will ensure that the trades it undertakes (either itself or via its Counterpart) in shares admitted to trading on a regulated market or traded on a trading venue take place on a regulated market, MTF or Systematic Internaliser, or an Equivalent Third-Country Trading Venue, as appropriate, unless those shares are out of scope for such obligation pursuant to Article 23 MiFIR.

Internaxx Bank S.A. will ensure that the transactions it concludes (either itself or via its Counterpart) with financial counterparties as defined in EMIR and non-financial counterparties exceeding the EMIR clearing thresholds, which are neither intragroup transactions nor transactions covered by the transitional provisions in EMIR, in derivatives pertaining to a class of derivatives that has been declared subject to the trading obligation in accordance with the procedure set out in Article 32 MiFIR and listed in the register referred to in Article 34 MiFIR are concluded only on Regulated Markets, MTFs, OTFs or Equivalent Third-country trading venues. Restrictions

Where Internaxx Bank S.A. is subject to internal trading restrictions it may not be possible to accept certain order and you will be notified of this upon receipt of the order.

Please refer to [www.iii.co.uk](http://www.iii.co.uk) to find out more on top execution venues used by II.

## 14. Prior express consent when trading outside a RM, MTF or OTF

Internaxx Bank S.A. will obtain prior express consent from its clients before proceeding (either itself or via its Counterpart, as applicable) to execute their orders outside a RM or MTF or OTF. The instances in which this might occur include trading with a Systematic Internalizer, trading agency crosses and broker-to-broker trades.

### a) Fixed price transactions

When Internaxx Bank S.A. acts as SI or deals in OTC derivatives, such transactions shall be considered to be fixed price transactions meaning a fixed or definable price. Internaxx Bank S.A. checks the fairness of the price proposed to the client by gathering market data used in the estimation of the price of such product and, when possible, by comparing the price with that of similar or comparable products.

### b) Request for quote

As SI, Internaxx Bank S.A. provides its clients a quote on request. Such quotes are only firm for a short moment and for a marketable amount. The period of time and the marketable amount depend on market volatility and the market liquidity of each financial instrument. Depending on those factors, Internaxx Bank S.A. may need to adjust the quotation.

### c) Limit order

Internaxx Bank S.A. will make every reasonable effort to execute (either itself or via its Counterpart, as applicable) the order promptly once the limit is touched. However, there is no guarantee of fixed price execution, in particular in the event of an unusual situation or extreme price/rate movement.

Prior express consent in the above situation cannot be tacit. Consent must involve some form of action by the client, e.g. click on a website or verbally consenting.

It is considered that instances where prior express consent would be required would be minimal. Agency cross and broker-to-broker trades are relatively rare occurrences. Furthermore, the Counterpart has a policy to not ordinarily trade with SIs unless exceptional circumstances dictate otherwise. Should one of these instances occur such orders would be received via the telephone rather than the online facility due to the nature of the order, i.e. size and security type. Therefore, consent will be requested via the telephone and recorded on Internaxx Bank S.A.'s Client Relationship Tool.

II only executes client orders on the LSE (equities, ETFs and Covered Warrants). In all other circumstances (for example, international trading), II sub-delegate the execution of the Clients' orders to a selected counterparty and who is considered by Internaxx Bank S.A. as providing, at least, the same level of protection to the Clients as it does. Should that counterparty execute the order outside a regulated market or an MTF, II is not required to obtain the prior express consent of its clients before proceeding with the order.

## 15. Internaxx Bank S.A. oversight of II

Internaxx Bank S.A.'s trading facilities are solely provided by and executed through II. Further to this, Internaxx Bank S.A. is subject to the best execution standards of II.

II's policy is reviewed on an annual basis by Internaxx Bank S.A. with recommendations for changes agreed by the Internaxx Bank S.A Risk and Compliance Committee.

II has invested in an independently developed best execution monitoring solution provided by IFS. The IFS system provides market data and analysis tools that analyse market conditions and replay consolidated order books at the time of particular trades. On a monthly basis the trades are uploaded into the IFS system to produce an analysis of price achievement II monitor performance against a number of Key Risk Indicators (KRIs) which compares actual price performance against the worse than price achieved on the Venues. These KRIs are reported on a monthly basis to the Internaxx Bank S.A. Risk and Compliance Committee and the benchmark is assessed as part of the Annual Best Execution Policy review.

Continuing validation that these standards remain within Internaxx Bank S.A.'s best execution policy and the MiFID II/MiFIR regulation will be performed through adequate and documented reporting to the appropriate committees at Internaxx Bank S.A.

Internaxx Bank S.A. will regularly meet key stakeholders of II to review trading and execution quality. These regular reviews form a critical part of the ongoing performance management of II for services provided to Internaxx Bank S.A..

## 16. Internaxx Bank S.A.'s Governance

Internaxx Bank S.A. has established internal governance processes to assess its execution arrangements, order handling, and execution monitoring and reporting infrastructure. This includes public reporting obligations for best execution under RTS 27 and RTS 28 and the review of such reports made by other execution venues.

Governance committees will meet regularly to assess the effectiveness of these arrangements and to determine any changes or enhancements that may be required. Where this results in a material change to Internaxx Bank S.A. execution arrangements, which could impact the execution factors and their relative importance, this will be communicated to clients via updating the Policy. This Policy will also be subject to an annual review including an assessment of the execution venues used by Internaxx Bank S.A. In addition, should any material change to Internaxx Bank S.A.' execution arrangements that affects Internaxx Bank S.A.' ability to continue to obtain the best possible result for its clients be identified outside of any formal periodic review processes, this will be subject to a separate review process and notified to clients accordingly.

