

Information relating to Delen Private Bank Luxembourg's best execution and best selection policy

Purpose

In accordance with MiFID II (Directive 2014/65/EU), Delen Private Banque Luxembourg S.A. ("the Bank" or "DPBL") has adopted a Best Execution and Best Selection Policy ("the Policy"). This document describes the measures taken by the Bank to ensure that all sufficient steps are taken, when executing client orders, to obtain the best possible result, taking into account certain execution criteria.

Scope of application

Concerned clients

This Policy applies to all retail and professional clients (as defined in MiFID). It does not apply to Eligible Counterparties.

Concerned financial Instruments

The Policy covers all financial instruments defined by MiFID II.

Concerned types of orders executed or transmitted

The Bank may trade the following types of orders:

- "Market" orders: the client indicates that he/she wants to buy or sell without any price conditions. A market order offers the greatest certainty of execution, but the price may differ from the last known price.
- "Limit" orders: the client indicates a maximum buy price or a minimum sale price. A limit order provides the certainty of execution at a price within the specified threshold, thus providing protection against sudden price fluctuations. On the other hand, it is less certain that it will actually be executed.

Concerned services

This Policy applies where the Bank:

- Executes clients orders;
- Receives and transmits clients orders for execution in their name and on their behalf;
- Makes investments decision for clients that have entrusted the Bank with a discretionary portfolio management mandate.

Best Selection Policy

DPBL does not execute orders itself on various trading platforms/execution venues but transmits them to selected intermediaries to whom it entrusts the execution of orders: the *Best Selection Principle*. This principle requires that all sufficient measures be taken to achieve the best possible result when executing clients orders.

DPBL put in place a process for selecting intermediaries to whom the execution of orders is tasked. Those intermediaries shall offer high quality standards and are selected based on several criteria, such as quality of execution, transaction costs, access to the execution venue, reputation of the intermediary, etc. The selected intermediaries must have procedures and mechanisms that are aligned with the objectives set out in the Bank's execution policy, in particular regarding execution factors and criteria. The quality of execution obtained by selected intermediaries is regularly evaluated by the Bank and the results of this evaluation may imply changes in the list of selected intermediaries. This evaluation is carried out at least on an annual basis.

For the processing of orders for shares, rights, warrants, ETFs/trackers, bonds and other assimilated financial instruments, the Bank selected its parent company, Delen Private Bank N.V. (DPBB), which applies the same execution policy.

Best Execution Policy

Best execution is the obligation to take all sufficient steps to achieve the best possible result for clients when executing orders.

In this context, DPBL acts honestly, fairly and professionally in the best interests of its clients and adopted an execution policy. It established appropriate measures to respond to its best execution obligations, whilst taking into account any specific instructions, the nature of the order, the market and the financial instrument concerned.

The Bank is bound by an obligation of means and not an obligation of result. This best execution obligation shall be assessed on the basis of the information available at the time of the order execution.

To meet this objective, the Bank takes into account certain execution factors.

Execution factors

Unless otherwise instructed, the Bank considers the following execution factors to determine the best possible outcome for its clients:

- the market price of the financial instrument on which the order is executed and the total cost/fees related to the execution of that order,
- speed of execution of a client's order on the market,
- likelihood of execution and settlement of a client's transaction,
- the size and nature of the order,
- any other consideration relating to the execution of the order.

The relative importance of each factor is based on the following characteristics :

- the characteristics of the client,
- the characteristics of the order (including specific instructions),
- the characteristics of the financial instrument that is the subject of the order,
- the characteristics of the execution venues to which orders may be routed.

For retail clients, the total price, representing the price of the financial instrument and the costs related to the order execution, which include, where applicable, all expenses incurred by the client (e.g. trading venue fees, etc.), is the main factor. Apart from the total price, other criteria such as speed of execution can also play an important role.

For professional clients, the speed of execution as well as the order size are usually important factors in achieving the best possible results.

In specific cases, the Bank may prioritize other factors.

Execution venues, brokers and counterparties

Under appropriate market conditions, the Bank will assume that a regulated market or multilateral trading facility can provide an optimal balance amongst the various execution factors, i.e., the best cost, likelihood and speed of execution, as well as the best security of payment and transfer of ownership of securities to provide the best possible outcome for its clients.

In accordance with the applicable regulations, DPBL considers the following execution venues:

- a regulated market;
- a *Multilateral Trading Facility* ("MTF");
- an *Organised Trading Facility* ("OTF")
- a systematic internaliser; or
- a market maker or other liquidity provider.

Orders can be executed:

- Directly, when the Bank has a direct access to the market; or
- Indirectly, when the Bank does not have a direct market access.

The Bank may rely on one or more intermediaries to carry out clients' transactions, when it considers it necessary or in the best interest of its clients. This selection of intermediaries is made in accordance with the Bank's Selection Policy, described above.

The Bank does not act as a systematic internaliser, as defined by the Law of 13 July 2007 on markets in financial instruments, but may act as a counterparty. Clients are informed via the order confirmation.

The Bank reserves the right to select a single intermediary if it is able to demonstrate that it achieves the best possible result for its clients.

In certain circumstances, it is possible to deviate from this Policy and choose a different execution venue or intermediary than those in the scope of this policy. For example, when a client wishes to trade an unusual financial instrument, where for a particular financial instrument it would appear that this policy does not guarantee best execution when the entire consideration is taken into account or when other circumstances warrant a departure from this policy. In such cases, the Bank will always ensure that the best performance obligation is met

Specific instructions from clients

In the event of specific instructions from the client, the Bank endeavours to execute or transmit the order in accordance those instructions, provided that it is possible.

Any risks and implications related to those specific instructions are to be borne by the client, who has full responsibility. Also, the client's attention is drawn to the fact that if DPBL acts in accordance with those specific instructions, it may not be able to take the measures mentioned as part of its Policy in order to obtain the best possible result in the execution of this order.

By complying with the client's instructions, the Bank fulfils its obligation to take all necessary measures to achieve the best possible outcome for its client. The client's decision shall prevail and will not be challenged.

For instance, specific instructions may relate to the following aspects:

- the limit price and the period of validity of the order;

- the counterparty to whom the order is transmitted for execution;
- the market on which the order is executed;
- the time of execution of the order; or
- the maximum percentage in terms of volume.

Categories of financial instruments

Shares / share certificates / rights / warrants and other assimilated financial instruments

If the Bank has a direct access to the market, the order shall be carried out directly on the selected trading venue. If the Bank is not a direct market member, it will transfer and entrust the execution of order to a selected counterparty that is a member of that specific market. In this case, the execution is carried out in accordance with the best execution and best selection policy of that counterparty.

Shares that are not traded on a regulated market (e.g. the former floor-traded Belgian Public Auctions Market) will be transferred to a selected counterparty.

Bonds and other debt instruments

Bonds are traded via counterparties (indicative pricing available on Bloomberg MTF).

Orders concerning less liquid bonds (such as exchange-traded bonds) may be executed only on a market which lists those type of products. In this case, if the Bank is not able to execute the transaction, it will turn to the issuer / a counterparty so that it can offer a price to the client. In addition to the price, the probability of execution and settlement will also be taken into consideration when choosing the counterparty.

Exchange Traded Funds (ETF) et trackers

The Bank executed orders concerning ETFs and trackers through counterparties (indicative pricing available on Bloomberg). The selection of the counterparty is determined mostly by the likelihood of execution and settlement.

Derivatives

Trading in derivatives is not supported by the Bank.

Investment funds

Orders on investment funds traded on the Net Asset Value (NAV) are always executed with the transfer agent (TA) of the concerned fund, either directly or indirectly through a distribution platform. The Bank is committed to comply, in the best of its capabilities, with the *cut-off times* as indicated in the prospectus of the fund. Orders are processed at the current NAV applicable either on the day of entry of the order (before *cut-off time*) or the next NAV (after *cut-off time*).

- For funds managed by the Bank, DPBL acts as a transfer agent.
- For funds managed by third parties, the Bank transmits the order of subscription / redemption to an intermediary, to negotiate with the transfer agents of the concerned fund.

Order processing

The Bank processes the orders it receives from its clients promptly by order of arrival, unless prevailing market conditions make this impracticable or the client's interests require otherwise. Orders received by the Bank through different channels are considered as non-assimilated orders. The Bank ensures that orders received are treated honestly and fairly.

Grouped orders

The Bank does not group orders from different clients for execution.

Force majeure

In the event of force majeure, the provisions set out in this Policy may not be followed. In all circumstances, the Bank shall find the best possible solution for the client.

Published information

In accordance with the regulatory provisions, the Bank publishes each year on its website (www.delen.bank):

- Any updated of this Policy, where applicable,
- The list of the top five execution venues/intermediaries, in terms of volume and number of transactions as well as a summary of the quality of execution obtained

Monitoring, review and amendment of the Policy

The Policy is reviewed annually as well as in the event of a significant change affecting the Bank's ability to continue to achieve the best possible result for the execution of transmitted orders, in particular in the following cases:

- substantial change in the tariffs applied,
- significant deterioration of the enforcement system,
- abandonment of market access,
- changes in processing conditions that may result in significant operational risks.

The latest version of this document can be consulted at any time on www.delen.bank and the policy is available at the Bank's offices.

For any reasonable and proportionate inquiry addressed to compliance-lux@delen.bank, the Bank will provide reports and other relevant information regarding this policy, the way it is reviewed and the Bank's performance in terms of order processing.

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Delen Private Bank Luxembourg S.A.

February 2025