

ALANTRA EQUITIES SOCIEDAD DE VALORES, S.A.

ORDER EXECUTION AND MANAGEMENT POLICY

FOR PROFESSIONAL CLIENTS

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Introduction:

The EU Markets in Financial Instruments Directive (2014/65/EU) (“**MiFID**”) and the European Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014) (together with MiFID the “**Directives**”) require that when receiving orders, executing transactions and passing on instructions in relation to the execution of financial instruments, investment services firms should adopt all necessary measures to obtain the best results. Alantra Equities Sociedad de Valores, S.A. (“Alantra Equities”) commits itself to complying with this principle in the best possible way.

This document sets out the measures adopted by Alantra Equities in its attempt to obtain the best possible results for its Professional Clients when receiving, executing and passing on their instructions (“**Order Execution and Management Policy**” or the “**Policy**”).

Although we are committed to obtaining the best possible execution results on a recurrent and consistent basis, this principle should not be taken as our representation to owe clients contractual responsibilities beyond the regulatory obligations.

1. Sphere of Implementation:

The Policy will only be applied to Alantra Equities’ Professional Clients in accordance with MiFID’s client classification. As a result, this Policy will not apply to those of Alantra Equities’ clients which are considered Eligible Counterparties (as defined in the EU Directives and their Regulations). Alantra Equities’ Professional Clients are covered by this Policy regardless of their country of residence.

The Policy will apply to equities and equities-like instruments, as they are in particular those financial instruments over which Alantra Equities carries out its investment services (Iberian and other European equities).

2. Order Execution and Management Policy:

Alantra Equities, under the Directives, owes Best Execution to its clients. Best Execution should not be taken, and is not taken by Alantra Equities, as a mere intention or as a subjective approach, but rather as a real target to aim for with the right procedure. Accordingly, Alantra Equities clearly adopts those factors provided by the Directives for its Best Execution:

- **Price**

We search for the best price among those opposite orders and interests available to us, and also across the execution venues using a SOR facility, weighing order quantity among liquidity in each possible venue.

- **Costs**

Explicit costs: almost 100% of our clients use all-in commission rates, which include all fees, expenses, commissions, etc., and this schedule is cost neutral for our clients with regard to trading venues, fees, etc. We apply this schedule by default and only apply “cost plus” schedules when a client expressly asks us to do so.

Implicit costs: we consider this to be an important factor, for which we analyse ex-ante and adjust them ex-durante the execution strategy to precisely set the execution time to the optimal

duration, in addition to setting the right market participation quote. Afterwards, we control the actual results, comparing them with all-venues price & volumes data.

- **Speed**

We are aware that exceeding the minimum necessary execution duration may result in counterproductive results, whilst executing in less time than necessary can unnecessarily increase market slippage. Accordingly, we estimate ex-ante the optimal execution duration and try to optimise it depending on market circumstances.

- **Likelihood of execution and settlement**

This factor is assessed ex-ante by venue (also considering SIs as potential venues), taking into account the characteristics of the equities in scope, which is also a factor for trading venue selection. During the execution, we will take into account the likelihood of execution before placing orders in trading venues without liquidity on the relevant stock.

On the other hand, regarding likelihood of settlement, Alantra only carries out clearing and settlement activities when they are done through relevant CCPs or equivalent low-risk institutions or mechanisms.

- **Size**

Order size will be measured to determine the suitability of the execution strategy in order to keep the lowest risk on the other factors such as price, cost, speed and likelihood of execution.

- **Nature**

The nature of the order could present characteristics which condition its execution. This factor would be analysed ex-ante.

- **Any other considerations relevant to the execution of the order.**

In order to assign the right weighting to each of the aforementioned execution factors, we take into account the limits and instructions for execution given by the client, as well as the client's preference in terms of price-risk speed balance, and stock characteristics such as market capitalisation, volatility, etc., in addition to the market situation (i.e.: liquidity, volumes, trend, fragmentation, news, etc.).

More details on our specific execution practices may be available from our trading representatives upon request.

Alantra Equities, as a general rule, operates and manages the execution of its clients' orders. Alantra Equities uses DMA channels, as this type of setup provides more flexibility and freedom to follow the liquidity evolution across the relevant trading venues as it is able to gather such liquidity. However, Alantra Equities reserves the right to forward clients' orders to approved external brokerages when Alantra Equities considers this to be a probable way to obtain the best available results for clients according to the Policy. Whatever the execution way chosen, Alantra Equities will remain responsible to its client throughout the entire execution chain, just as if it were the only executing agent taking part in the operation.

Alantra Equities will ensure that the ultimate execution of the orders takes place on a regulated market, MTF, systematic internaliser or any equivalent third country venue.

Alantra Equities does not have a business line based on proprietary trading.

3. Specific Client Instructions

When Alantra Equities receives specific instructions from its clients in relation to the handling and execution of their orders, such as limits on price, participation rate on market volumes, trading venue choice, time to complete the orders, strategy to follow, or any other indications that affect the order or the way in which instructions are given for execution, Alantra Equities manages the order in accordance with the instructions received from the client, and this will be understood to entail Best Execution. In relation to other aspects of the order not specified in the client's instructions, Alantra Equities will execute orders in accordance with its Policy.

Client instructions relating to the order could hinder or prevent Best Execution in accordance with Alantra Equities' Best Execution principles.

4. Selection and Supervision of Intermediaries

As explained in point 2, when Alantra Equities believes it very probable that it will obtain a better result, Alantra Equities may decide to pass orders on to third parties for execution.

In selecting these intermediaries, Alantra Equities would take into account whether their execution policies and practices comply with MiFID requirements and its own Policy. Alantra Equities would make its best efforts to ascertain that the intermediary selected is capable of systematically and consistently achieving equal or better execution than other alternative intermediaries that operate in the same execution centres.

Alantra Equities will make sure that external traders understand what are they required to do by placing clear and precise execution instructions. In those cases where Alantra Equities sends orders to other brokerages for execution, it will closely monitor the execution and settlement of said orders to ensure best outcomes. Alantra Equities will maintain rigorous controls on implicit cost and execution quality, as well as closely following up to avoid any kind of error or incident in relation to orders received but passed to third parties for execution.

5. Order Execution and Management Policy Compliance

Alantra Equities uses a transaction cost analysis tool ("TCA") to assess the results of the executions it carries out. This tool may be handled in different ways: (i) systematically to check the overall performance of each client execution, where aggregated values are checked in a given period of time (i.e. quarter) on aspects such as: best price hit rate, spread crossing rate, liquidity obtained on liquidity available rate, etc.; (ii) casually on the transactions belonging to one executed order to assess the degree of compliance with the Policy; (iii) on demand, when a client, the Head of Trading of Alantra Equities, Alantra Equities' Internal Control Committee, or any other person with authority to proceed, asks to analyse the outcome of any specific order.

6. Selection and Monitoring of Trading Venues

When Alantra Equities is not able to immediately provide execution matching up opposite orders and interests available to it, as a general rule, and taking into account the characteristics of the financial instruments concerned, clients' orders will be converted into market orders and transmitted by Alantra Equities for execution using DMA connections to the execution venues.

Those venues are referred to in the Appendix of this Policy. The adoption of this procedure responds to the interest of Alantra Equities in offering the broader available liquidity to its clients as a key factor for obtaining best execution.

The typology of execution venues suitable for Alantra Equities' Policy consists of:

- Regulated markets
- MTFs (Multilateral Trading facilities)
- SIs (Systematic Internalisers)
- Our own account for small facilitations, nevertheless ultimate execution is formalised in a regulated market or MTF.
- Non-EU entities performing similar functions and subject to similar regulations.

The selection of execution venues for every instrument or set of same-characteristics instruments will be based on: (i) the availability of best price; (ii) liquidity; (iii) regular volumes; (iv) attending to special circumstances it may also be the market model (i.e. opening, closing and volatility auctioning, block protection modalities, etc.); (v) technical characteristics of the platform such as reliability, latency, etc.

Although there is an annual formal analysis and review of execution venues based on the mandatory quarterly reports by the venues (RTS28) as well as on the internal TCA reports, venues' performance should be closely monitored on a continuous basis using TCA reports. The final goal of this selection and monitoring procedure should always be the effectiveness of the Policy to regularly and consistently obtain the best possible results for the client.

7. Acceptance of Policy and Consent

In compliance with Directives, Alantra Equities must obtain consent for its order execution policy from its clients before proceeding to execute any orders. In this context, Alantra Equities will assume that consent has been granted if a client has received this Order Execution and Management Policy document and subsequently places an order with Alantra without having previously expressed any objections to this Policy in writing.

The Directives require us to obtain your prior consent to two execution practices:

- To execute outside regulated markets and MTFs.
- Not to publish your unexecuted limit orders (or parts of them) except when it would be most beneficial to you to do so.

By accepting our Business Terms and placing an order with Alantra Equities, we shall understand that you are providing your consent to the abovementioned points. Please also note that providing consent to any and all of these practices will not limit your ability to withdraw such consent or to place new instructions about these practices in the future. In order to provide us with your express acceptance of the Policy and/or consent to the abovementioned execution practices, an email sent to 'clientservices@alantraequities.com' would be enough.

Appendix

Approved execution centres

MIC	NAME
AQXE	AQUIS EXCHANGE
BATD	BATS EUROPE - BXE DARK ORDER BOOK
BATE	BATS EUROPE - BXE ORDER BOOKS
BATP	BATS EUROPE - BXE PERIODIC
CHID	BATS EUROPE - CXE DARK ORDER BOOK
CHIX	BATS EUROPE - CXE ORDER BOOKS
JPMX	J.P. MORGAN ATS
LIQH	LIQUIDNET H2O
LISX	BATS EUROPE - LIS SERVICE
MSIP	MORGAN STANLEY AND CO. INTERNATIONAL PLC
MSPL	MS POOL
MSTX	MS TRAJECTORY CROSS
MTAA	MILAN ELECTRONIC SHARE MARKET
TRQM	TURQUOISE DARK
TRQX	TURQUOISE
XAMS	EURONEXT - EURONEXT AMSTERDAM
XBRU	EURONEXT - EURONEXT BRUSSELS
XCSE	NASDAQ COPENHAGEN A/S
XDUB	IRISH STOCK EXCHANGE - ALL MARKET
XETR	XETRA
XHEL	NASDAQ HELSINKI LTD
XLIS	EURONEXT - EURONEXT LISBON
XLON	LONDON STOCK EXCHANGE
XMCE	MERCADO CONTINUO ESPANOL - CONTINUOUS MARKET (SIBE)
XOSL	OSLO BORS ASA
XPAR	EURONEXT - EURONEXT PARIS
XPOS	POSIT DARK - ITG
XSTO	NASDAQ STOCKHOLM AB
XSWM	SIX SWISS EXCHANGE - SIX SWISS EXCHANGE AT MIDPOINT
XSWX	SIX SWISS EXCHANGE
XUBS	UBS MTF