

Best Execution Policy

NATIXIS Pfandbriefbank AG executes buying and selling orders in financial instruments according to the following principles:

A. General principles

1. Scope

The Best Execution Policy applies to your buying and selling orders in financial instruments where you do not specify the place of execution. Its aim is to ensure that, in such cases, we will select the place of execution in such a way as to in any case guarantee best execution in your interest.

The Best Execution Policy is of special importance for financial commission business where we execute transactions in our own name and for your account with other market participants or intermediaries. In contrast, best execution principles do not apply, or apply on a limited basis, to so-called fixed price transactions where we directly enter into a transaction with you in a financial instrument at a fixed or defined price. However, in the case of fixed-price transactions, the supervisory requirement that the price be in line with market prices must, nevertheless, be observed.

2. Priority of instructions

Generally, your express instructions always have priority. For this reason, the best execution policy is applied only when your order allows or requires it.

Otherwise our obligation to achieve the best possible results is fulfilled within the scope of your order.

We accept instructions only on the basis of single transactions, not generally or for individual financial instruments. For certain transactions, we accept orders with express instructions only (see B. below).

3. Criteria for determining best execution

The legislator requires that the best execution policy takes all relevant criteria into account in the achievement of best execution.

In this regard, the legislator especially names the price of the financial instrument, the costs associated with the transaction, the speed and probability of execution, the settlement of the transaction and the type and scope of the order.

The securities services company must weight these criteria taking the characteristics of the customer¹, the transaction, the financial instrument and the place of execution into account, in so far as this is a meaningful measure to ensure best execution.

In view of these requirements, we have developed under B. below best execution policies for different types of financial instruments, which we apply according to the following weightings:

1. Probability of execution and settlement of the order
2. Speed of execution
3. Speed and security of settlement
4. Order volume
5. Price
6. Costs

¹ NATIXIS Pfandbriefbank AG only conducts business with eligible counterparties or professionals.

B. Execution of orders for different financial instruments

1. Shares and bonus shares

NATIXIS Pfandbriefbank AG does not execute orders in shares or bonus shares.

2. Structured products (certificates, special issues and warrants)

NATIXIS Pfandbriefbank AG does not execute orders in structured products.

3. Interest-bearing securities (bonds, Pfandbriefe)

NATIXIS Pfandbriefbank AG executes orders in bonds and Pfandbriefe. As a rule, these are executed on the Munich Stock Exchange. In individual cases and following the submission of a corresponding consent declaration a transaction will be carried out on an OTC basis.

Should transactions be executed on a stock exchange, this will always occur on the Munich Stock exchange.

4. Derivates

a. Derivates traded on a stock exchange

NATIXIS Pfandbriefbank AG does not execute orders for structured products.

b. Non-listed derivatives

NATIXIS Pfandbriefbank AG does not execute orders for structured products.

5. Investment Funds

NATIXIS Pfandbriefbank AG does not execute orders in investment funds.

6. Miscellaneous

Transactions in other financial instruments, including those instruments not impacted by statutory regulations, are in principle executed in your best interest.

C. Review and updating of the best execution policy

NATIXIS Pfandbriefbank AG will review its Best Execution Policy at least once a year. The Bank will also undertake an examination of its policy should indications arise that the underlying material criteria for the execution of transactions set forth above have lost their validity. A currently valid version of the Best Execution Policy is available on the NATIXIS Pfandbriefbank AG website or can be requested from the Compliance Department.

D. Knowledge and experience

Based on your classification under MiFID II, we assume that you understand the technical terms and that you possess both the knowledge and experience to understand and bear the risks inherent with the transactions entered into.

E. Information on places of execution

Information on places of execution can be found in the publications of each of these places or on their respective websites.

F. List of Execution Venues

Munich Stock Exchange