

## **EXECUTION OF ORDERS POLICY**

### **1. Introduction**

According to the demands of the MiFID Directive, the Piraeus Bank Group takes every reasonable step so that the best possible outcome for his clients during the execution of orders in financial instruments on their behalf is achieved, as well as during the receiving and transmission of their orders for execution by third parties.

The present Policy imprints the procedures applied by the Group for the execution of its clients' orders and for the achieving of the best possible outcome during their execution.

For the purposes of the present Execution of Orders Policy, the terms 'Group' and 'Piraeus Bank Group' are referred to the Piraeus Bank and the companies of its Group, which provide investment services under the meaning of the MiFID Directive and/or Greek Law 3606/2007 or other laws of member-states of the European Union with which the MiFID Directive was incorporated in the those member-states. The terms 'Group' and 'Piraeus Bank Group' include as to the application of the present the branches of the Bank or companies of the Group abroad.

It must be noted that the execution of orders of the clients of Piraeus Bank (Cyprus) Ltd will be made through approved intermediators with whom Piraeus Bank (Cyprus) Ltd entered into confidentiality agreements whose terms protect, inter alia, your personal data and confidentiality in the management of information.

Terms for which there is no special interpretation in the present Execution of Orders Policy are interpreted according to what is defined in Directive 2004/39/EC (MiFID) or respectively in L. 3606/2007 in relation to the companies of the Group which are under Greek legislation, either in Directive 2006/73/EC or respectively in decision no. 1/452/2007 of the Board of Directors of the Hellenic Capital Market Commission as to the companies of the Group which are under Greek Law or in Regulation (E.C.) 1287/2006 as currently in force (the Regulatory Framework).

### **2. Field of Application**

The present Policy is applied to professional and retail clients of the Group and in all financial instruments covered by the definition of Annex I C of the MiFID Directive. The Execution of Orders Policy is applied during the receiving, transmission and/or execution of the clients' orders as well as during the provision of the services of client portfolio management.

The Execution of Orders Policy is not applied in the following cases:

- If the client has been classified as an eligible counterparty.
- If the client has given specific instructions for the execution of his order. It is emphasised to clients that the provision of certain instructions for execution might stop the Group from taking the measures predicted in the present Execution of Orders Policy for the achieving of the best possible result during the execution of their orders. In case where the client's instructions relate to only a part of the order the Group will apply the Execution of Orders Policy to the rest of the order.
- If the order concerns products and/or services which do not fall within Appendix I C of the MiFID Directive.
- If a force majeure fact exists which affects, interrupts or stops (permanently or temporary) the operation of the organised market or the multilateral trading

facility or other mechanism of systematic transactions in which a client's order is executed.

### **3. Execution factors**

The Piraeus Bank Group, when it executes orders of clients, takes different factors under consideration as the aim is to achieve the best possible outcome for its clients. The main factors that are taken under consideration in each case so that the best possible outcome is secured are the following:

- Price.
- Cost.
- Speed in the execution of the order.
- Possibility of execution and settlement.
- Size of the order.
- Nature of the order.
- Ability of the execution locations to manage the given orders.

The importance of each of the abovementioned factors is judged in each case also on the basis of the criteria mentioned in Chapter 4 below.

Especially in relation to retail clients, the best possible outcome is defined on the basis of the total price. The total price represents the price of the financial instrument and the charges which are related to the execution of the order including all of the charges which burden the client and which are directly linked to the execution of the order like the fees of place of execution, the liquidation and settlement fees, and all the rest of the fees which are given to third parties who participate in the execution of the order.

It is also emphasised that the Group might, during its absolute discretion, take under consideration other factors as well such as the speed of execution, the possibility of execution and settlement, the volume and nature of the order, the consequences on the market and any other indirect costs, and give them priority in relation to the factors of immediate price and cost if it judges that they are necessary for achieving the best possible result in the total price level for the retail client.

The Group considers that the total price is a satisfactory basis for the definition of the best result not only for its retail clients but also for professional clients. Nonetheless, under some circumstances which will be assessed in each case other factors might be more important for professional clients.

Lastly, in cases of specific financial instruments which are negotiated in only one market, it is possible that there is only one available place of execution. During the execution of an order under those circumstances, the Group considers that it secures the best possible outcome on a systematic basis provided that it complies to the current rules of the particular market.

### **4. Criteria determining the importance of factors of better execution**

The Group in order to define the relevant importance of factors of execution which are mentioned in the previous Chapter takes under consideration the following criteria:

- The specific characteristics of each client (including his categorisation as retail or professional)
- The characteristics and nature of the order (including as to whether specific instructions are given by the client)

- The characteristics of financial instruments which pose the object of the order.
- The characteristics of the place of negotiation where the order will be executed.

## **5. Places of negotiation – Market intermediators**

Annex B of the Execution of Orders Policy includes, for every category of financial instruments, the places of negotiation in which the Group can systematically achieve the best possible outcome in the execution of its clients' orders.

In order for the Group to fulfil its obligation regarding the best outcome for the client, it will execute the client's order in organised markets in which it possesses direct access. In cases where the Group does not have immediate access to a specific organised market, the client's order is executed with the intermediation of a third party (market intermediary) with whom the Group entered into an agreement for the transmission of orders for execution in a specific market. In particular:

- The orders which concern titles or products of financial instruments which are in the Athens Stock Exchange and in the Cyprus Stock Exchange will be transmitted for execution mainly by Piraeus Securities S.A. or EUROBANK EFG S.A.
- Orders regarding financial instruments which are being negotiated or are in other markets, transmitted by rule for execution to other market intermediators who are members of local markets with whom the Piraeus Bank Group has entered into agreements transmission to execution.
- Orders regarding bonds including Cyprus Governmental Bonds, Bank Bonds and Company Bonds, local or foreign will be transmitted for execution mainly to Piraeus Bank S.A. which executes the orders in question either through their internalisation or as a product of guaranteed capital for the client.
- Lastly, the orders or management decisions in relation to shares or Shares in Collective Investment Organisations (OSEKA) will be transmitted for execution mainly in Piraeus Asset Management M.F.M.C

The abovementioned execution procedures are subjected to the following restrictions:

- When a company of the Group transmits an order to other companies of the Group for execution, the transmitter company will ensure that the company which will execute the order applies the present Execution of Order Policy. In this way the achieving of results, for the Groups' clients, which are at least equivalent to the results which could have been achieved if the order was transmitted for execution outside the Group, is secured.
- All aspects of the agreement for the execution of orders between companies of the Group are regulated by agreements between the contracting parties which include, inter alia, special terms for the protection of personal data and ensure the confidentiality in the management of information.
- In cases where there are more than one places of negotiations, the Group, in order to choose the best suited examines:
  - If a certain place of negotiation brings the best possible result on a steady basis for the particular kind of orders or financial instruments concerning the order, or
  - If the cost to include more than one location of negotiation in the Execution of Orders Policy (when the certain expense burdens the

clients) would exceed any possible improvement in price (within reasonable time).

In order for the Group to choose eligible counterparties outside the Group to whom it will transmit orders for execution:

- Examines whether the third parties have the characteristic of an Investment Company or equivalent type of company which possesses a license to receive, transmit and execute orders under the meaning of Article 21 of the MiFID Directive, and
- Ensures by following a strict selection procedure that the particular market intermediators, which it will use, are in compliance with the main requirements of a better execution and consequently the Group may be relying on their own execution of orders policy.

## **6. Execution of orders**

During the execution of the clients' orders, the Group will ensure that:

- The orders are filed and immediately and accurately dealt with.
- In the measure where there are comparable orders, they are executed immediately and in the order which they are received.
- The retail client will be informed accordingly for every material problem that might affect the correct execution of his orders, immediately after the Group is informed about the particular problem.
- The orders in relation to transactions outside of organised markets or Multilateral Trading Facilities will be executed only if the Group has previously obtained the written consent of the client.
- Unless the client has explicitly and in writing declared otherwise, the limit orders for purchase and sale will be publicised immediately, regardless of whether it would be possible to immediately execute them under the existing market conditions.

Exceptions will only be made in the following cases:

- If the client has given special instructions.
- If the characteristics of the clients' order or market conditions require different handling.
- If the special interests of the client require different handling.

## **7. Grouping and distribution of orders**

The Group will not group his clients' orders with orders executed on the Group's behalf.

The Group will group the orders of its client with orders of other clients only if the grouping of orders and respective transactions is not about to prove, on the whole, against a client whose order is about to group even if the grouping might prove to be against him in relation to a particular order of his.

The distribution of orders which have been grouped is performed proportionally.

When the grouping is made for more than one organisation of collective investments in movable assets which are managed by a company of the Group, the distribution of

transactions per a collective investment organisation will be predetermined having as a criterion the investment orientation of each organisation.

## **8. Supervision and review**

The Group will frequently monitor the effectiveness of methods and procedures which it has chosen for the achieving of the best possible execution of clients' orders, and generally the effectiveness of applying the Execution of Orders Policy so that it ascertains and, if necessary, to correct possible deficiencies. In the framework of its supervision, the Group will assess, amongst others, if the selected locations for negotiation and selected market intermediators are suitable for the securing of the best possible outcome for the client or it is necessary that there are changes in the way of execution.

The Group will revise the Execution of Orders Policy when it is necessary and at least once a year so that it is adjusted to the market conditions or to possible changes in the market practises.

The companies of the Group will inform their clients from any material changes in the Execution of Orders Policy through a steady medium (including an SMSS and/or through their website).

### **A. Companies of the Piraeus Bank Group covered by the present Policy**

The companies of the Piraeus Bank Group covered by the present Policy are the following:

- Piraeus Bank S.A
- Piraeus Bank (Cyprus) Ltd
- Piraeus Bank Bulgaria A.D.
- Piraeus Bank Romania S.A.
- S.S.I.F Piraeus Securities Romania S.A.
- Piraeus Securities S.A
- Piraeus Asset Management M.F.M.C
- Piraeus Asset Management Europe S.A

### **B. List of places of negotiation**

The Group has secured access to international stock exchange markets through agreements which it has entered into with the following international contracting parties:

- BNY ConvergeX Group
- Citigroup
- Credit Agricole – Cheuvreux Paris
- Ekpres Invest
- Jefferies
- Goldman Sachs
- Morgan Stanley
- Credit Suisse

Fiduciary services are provided by the HVB Athens, Goldman Sachs, Jefferies and Morgan Stanley.

## **B.1. Places of negotiations of shares**

### **B.1.1. European Capital Markets**

<b>Country</b>	<b>Stock Exchange</b>
Greece	Athens Stock Exchange
Cyprus	Cyprus Stock Exchange
Germany	Deutsche Boerse AG (Xetra)
France, Netherlands, Belgium	Euronext Stock Exchange
England	London Stock Exchange, London International
England	London AIM
Italy	Borsa Italiana
Spain	Madrid Stock Exchange
Sweden	Stockholm Stock Exchange
Switzerland	Virt-x, The Swiss Exchange
Finland	Helsinki Stock Exchange
Ireland	Irish Stock Exchange
Austria	Vienna Stock Exchange
Denmark	Copenhagen Stock Exchange
Hungary	Budapest Stock Exchange
Czech Republic	Prague Stock Exchange
Poland	Warsaw Stock Exchange
Turkey	Istanbul Stock Exchange
Egypt	Cairo Stock Exchange
Romania	Bucharest Stock Exchange
Bulgaria	Sofia Stock Exchange
Estonia	OMX Exchange
Latvia	Riga Stock Exchange
Russia	Moscow Stock Exchange
Croatia	Zagreb Stock Exchange
Slovenia	Ljubjania Stock Exchange
Israel	Tel Aviv Stock Exchange
Serbia	Belgrade Stock Exchange
Slovenia	Bratislava Stock Exchange
Malta	Malta Stock Exchange
Lithuania	National Stock Exchange of Lithuania
South Africa	Johannesburg Stock Exchange

### **B.1.2 American Capital Markets**

<b>Country</b>	<b>Stock Exchange</b>
U.S.A.	New York Stock Exchange, Nasdaq, American Stock Exchange
Canada	Toronto Stock Exchange, Venture Exchange
Mexico	Mexican Stock Exchange

### **B.1.3 Asian Stock Exchange**

<b>Country</b>	<b>Stock Exchange</b>
Australia	Australian Stock Exchange
Japan	Tokyo Stock Exchange

Hong Kong	The Stock Exchange of Hong Kong
Mauritius	Mauritius Stock Exchange
Singapore	Singapore Exchange
Malaysia	The Bursa Malaysia Berhad
Thailand	The Stock Exchange of Thailand
Indonesia	Jakarta Stock Exchange

## **B.2 Places of negotiation of products**

- Athens Stock Exchange
- EUREX Exchange
- EURONEXT Exchange
- Chicago Board of Trade
- Chicago Mercantile Exchange
- Hong Kong Exchange
- EURONEXT Liffe Exchange
- Chicago Board of Options Exchange
- One Chicago Exchange
- Intercontinental Exchange