

JB CAPITAL ORDER EXECUTION POLICY

Each of the terms that appear henceforth in **bold** are defined in the Definitions Section at the end of this document.

1. Purpose

In accordance with Directive 2014/65/EU, of 15 May, on Markets in Financial Instruments (hereinafter, "**MiFID II**") and its implementing regulations, JB CAPITAL MARKETS, S.V., S.A.U. (hereinafter, "**JB Capital**") must draw up an order execution policy and adopt all sufficient steps to obtain the best possible result (or "best execution") for its **Professional Clients**, either in the execution of Client **Orders** or in the transmission of Client Orders for their execution.

In addition, JB Capital is obliged to provide appropriate information to its **Clients** regarding its Order Execution Policy. For this reason, a copy of this document will be made available on the JB Capital website (<https://www.jbcm.com/avisolegal/>).

The purpose of this document is to provide Clients with information about JB Capital's Order Execution Policy derived from MiFID II and to obtain their consent to said document.

2. Scope

The JB Capital Order Execution Policy is exclusively applicable to Professional Clients and transactions with **Financial Instruments**. Consequently, this Order Execution Policy will not apply to Eligible Counterparties.

The JB Capital Best Execution Policy is applicable when JB Capital:

- (i) executes Orders on behalf of a Client and/or
- (ii) transfers Client Orders for their execution.

The JB Capital's Order Execution Policy will not apply to clients classified as Eligible Counterparties; in these cases this document is solely for information purposes.

Executing Orders "on behalf of a Client"

JB Capital will execute Orders "on behalf of a Client" when the Client legitimately trusts in JB Capital to safeguard its interests in relation to the price and other aspects of the transaction that may be affected by the way in which JB Capital executes the Order. For example, this will be the case when JB Capital:

- executes an Order acting as an agent;
- executes an Order acting as the principal on behalf of a Client; and
- "works" on an Order on behalf of a Client (*Working Order Trades*).

JB Capital will not execute Orders on behalf of a Client (and, consequently, it will not be obliged regarding "best execution") when JB Capital offers a price or facilitates an "offer request" (*request for quote operation*) for the provision of services, and the Client acts with JB Capital on the basis of said offer.

Subject to any specific instruction from the Client (see Section 9), JB Capital will take all sufficient steps to obtain the best possible result for Clients when executing Orders on their behalf, taking into consideration, depending on the Financial Instrument involved, the **Execution Factors** listed in Section 3.

This obligation does not mean that JB Capital must obtain the best result possible for each of its Clients in each specific transaction, rather than JB Capital shall execute Orders in the most appropriate manner for its Clients in general.

For each category of Financial Instrument, JB Capital shall determine the relative importance of the Execution Factors by applying its own judgement and experience in relation to the market information available and by considering the **Execution Criteria** described in Section 4.

When a Client requests work on an Order (*Working Order Trades*), as this request involves the provision of specific Client instructions with regard to certain Order aspects, compliance with the best execution obligation will be limited to the aspects that are not regulated by the Client's specific instructions.

3. Execution Factors

The Execution Factors that will be considered when executing Client Orders in their best interest are: price, cost, speed, probability of execution and settlement, volume, nature and any other consideration pertinent to execution of the Order.

4. Execution Criteria

On executing Client Orders, JB Capital will take into account the following criteria to determine the relative importance of the factors mentioned in previous sections:

- (i) characteristics of the Client, including their categorisation as a Professional Client;
- (ii) characteristics of the Order, including if the Order involves a securities financing transaction;
- (iii) characteristics of the Financial Instruments that are the subject of the Order; and
- (iv) characteristics of the Trading Venues and intermediaries to which JB Capital may direct the Order.

5. Execution Venues

JB Capital will regularly assess the Execution Venues available for each type of financial instruments with the aim of identifying those that allow JB Capital to systematically obtain the best possible result when executing Orders.

When necessary, JB Capital will also adopt measures to ensure fees are not charged or structured in a way that unduly discriminates between Execution Venues.

Execution Venues are selected considering the prices at which Financial Instruments are negotiated, their liquidity and depth, the fees and costs for operating with them, as well as the execution quality data published by Execution Venues in compliance with the provisions outlined in article 27.3 of MiFID II as long as this information is available.

Certain Financial Instruments may only be executed at a unique Execution Venue if it allows optimal execution to be obtained for Clients systematically. In this scenario, JB Capital assumes and the Client accepts that selection of this Execution Venue sufficiently satisfies the obligation of JB Capital regarding "best execution".

6. Transactions with Equity Securities

When executing Orders with Equity Securities, the price is usually the most important Execution Factor in relation to attainment of the best possible result, followed by the probability of execution. However, under certain circumstances for some Clients, Orders, Financial Instruments or markets, JB Capital may determine that other Execution Factors different to previous ones are more important in obtaining the best possible result, taking into account the Execution Criteria outlined in Section 4.

In any case, when a Client Order can be executed in a Trading Venue of which JB Capital is a member and in another or others of those indicated in Appendix I.A of which it is not a member, in order to determine the best result possible consideration will be paid to the price as a factor of greater relative importance and the probability of execution in addition to other factors, such as the fees and costs that JB Capital will incur derived from execution of the Order in each Trading Venue, for the purpose of assessing and comparing the results that the Client would obtain by executing the Order in each Trading Venue and considering the Execution Criteria indicated in Section 4.

Subject to specific instructions the Client may issue (see Section 9), JB Capital will employ the following methodology with the aim of selecting an Execution Venue for an Order:

- Subject to appropriate consideration of the Execution Criteria and Execution Factors mentioned previously, JB Capital will select the Trading Venue it deems most suitable for transactions with listed Equity Securities and ETFs among the **Regulated Markets and Multilateral Trading Facilities ("MTFs")** detailed in **Appendix I.A "Trading Venues - Listed Equity Securities, Warrants and ETFs"** and systematics internalisers.

JB Capital may use *Smart Order Routing* technology to select and assign Execution Venues in which Orders will be executed. This technology will be periodically reviewed to ensure compliance with this policy.

Transmission of Client Orders with Equity Securities to another entity for their execution

With the exception of any specific instruction the Client may issue (see Section 9), JB Capital may transmit an Order that it receives from the Client to a third-party entity for its execution.

When JB Capital transfers the Order for its execution by another organisation, it will adopt the measures it deems necessary to obtain the best results possible for its Clients, bearing in mind the

Execution Factors with the importance indicated in this same section, in accordance with the Execution Criteria outlined in Section 4.

JB Capital will comply with the best execution obligation, provided that the Order is transferred to another organisation following the Client's specific instructions.

The obligation of best execution in the transfer of Orders to other entities for their execution will be satisfied via an initial and periodic assessment of the intermediary or intermediaries to which Orders are referred for their execution, based on the following parameters: (i) its Best Execution Policy; (ii) access to a greater number of Execution Venues; (iii) connectivity; (iv) aspects related to reputation; (v) quality of execution; and (vi) costs.

The purpose of the aforementioned assessment is to check that the intermediaries selected have execution systems in place that allow JB Capital to comply with its obligations of best execution when an Order is referred or transferred to this organisation.

7. Transactions with Fixed Income Instruments

Transactions with fixed income instruments shall be executed either through Regulated Markets, MTFs or Organised Trading Facilities (hereinafter, "**OTFs**") indicated in Appendix I.B or through transactions outside of Trading Venues. In this last scenario, it should be taken into account that such transactions may involve a counterparty risk as consequence of the execution, and therefore may imply a loss for the client if the counterparty against which a certain order has been executed does not meet its payment obligation or delay the payment or the fulfilment of its obligations of the delivery of the financial instruments. Regardless of the type of transactions executed in the Trading Venue or not, interposing the own account with Clients will be subject to the obligation of best execution.

When executing transactions with Fixed Income Instruments, the price is usually the most important Execution Factor in relation to attainment of the best possible result, provided that the transaction volume allows execution at the best price. However, under certain circumstances for some Clients, Orders, Financial Instruments or markets, JB Capital may determine that other Execution Factors different to previous ones are more important in obtaining the best possible result taking into account the Execution Criteria outlined in Section 4.

Subject to appropriate consideration of the Execution Criteria and Execution Factors mentioned previously, JB Capital will select, if applicable, the Trading Venue it deems most suitable for transactions with Fixed Income Instruments from the **Regulated Markets, MTFs and OTFs listed in Appendix I.B "Trading Venues – Fixed Income"** or, if applicable, it will execute the transaction in a systematic internaliser or outside of an Execution Venue.

When adopting decisions to trade with products outside of a Trading Centre, JB Capital will check the fairness of the price proposed to the Client by gathering market data used to calculate the financial instrument price and, where possible, by comparing with similar or comparable products. In cases in which sufficient information regarding market prices does not exist, this check will be based on the internal price formation processes approved by JB Capital.

When it involves execution derived from a *request for quote* transaction with the Fixed Income Instruments with which JB Capital operates, it must also check the fairness of the price proposed to the Client, provided that the transaction is formalised outside of a Trading Venue.

8. Execution Methods

Subject to specific instructions the Client may issue (see Section 9), JB Capital will execute an Order via one of the following methods, or a combination of these:

- (i) Provided that JB Capital has obtained the express consent of the Client, outside a Regulated Market, MTF or OTF, by executing the Order against an Order of another JB Capital Client or directing it to a third entity to execute it out of a Trading Venue. In this last scenario, it should be taken into account that such transactions may involve a counterparty risk as consequence of the execution, and therefore may imply a loss for the client if the counterparty against which a certain order has been executed does not meet its payment obligation or delay the payment or the fulfilment of its payment obligation or the delivery of the financial instruments.
- (ii) Directly in a Regulated Market, MTF or OTF if JB Capital is a member of it, or directing the Order to a third-party entity with which an agreement has been reached for the execution of Orders in different Trading Venues.

9. Specific Client Instructions

When the Client gives JB Capital specific instructions for the execution of an Order, JB Capital will execute the Order in accordance with these specific instructions such that JB Capital's obligation of "best execution" will remain covered and sufficiently satisfied by following the Client's instructions.

When the Client's instructions only affect part of the Order and JB Capital has sufficient criteria and influence on all other Order elements, JB Capital will continue to apply this Order Execution Policy to the Order aspects that are not covered by the Client's specific instructions.

The Client is warned that specific instructions for executing a particular Order may mean this policy is not applicable, as they prevent JB Capital from taking the steps that it has designed to achieve the best possible result for the execution of the Order in respect of the elements covered by those instructions.

10. Fees and inducements

JB Capital may apply different fees based on the Execution Venue and depending on its status as a member or non-member, including in the latter case the fees corresponding to intermediary third parties and the additional costs of this operation.

JB Capital will only receive payments from third parties considered as permitted inducements. In this case, if JB Capital were to charge more than one participant in a transaction, the Clients affected will be informed of the value of any monetary or not monetary benefit obtained.

JB Capital will inform Clients of the inducements that, if applicable, it receives from Execution Venues, specifying the fees applied to all the counterparties involved in the transaction and, when fees vary depending on the Client, it will indicate the maximum amount of fees or the range of fees applicable.

11. Publication of the top five Execution Venues and the top five intermediaries to which Client Orders are executed or transmitted

JB Capital will publish annually on its website, for each class of Financial Instruments, the top five main Execution Venues in terms of trading volumes, in which Client Orders were executed the preceding year, and information on the quality of execution obtained.

In addition, JB Capital will publish annually on its website, for each class of Financial Instruments, the top five main intermediaries, in terms of trading volumes, to which Client Orders were transmitted for their execution, and information on the execution quality obtained. The information to be published on the intermediaries to which Orders are transferred for their execution will be equivalent to the information published regarding the main Execution Venues.

12. Other matters

It is JB Capital policy to not invite Clients to opt for a Trading Venue of those indicated in Appendix I of this policy.

When a Client requests JB Capital for reasonable information on its policies or mechanisms and the manner in which they are reviewed, JB Capital will respond clearly and within a reasonable time frame. Furthermore, when JB Capital receives a reasonable request from a Client or a potential Client, it will facilitate information on the entities to which Orders are referred or transmitted for their execution.

13. Review

JB Capital will review the Order Execution Policy at least once a year, along with its order execution systems, for the purpose of checking that they allow the best possible results to be obtained consistently and systematically for JB Capital's Clients.

This review will be carried out whenever a significant change occurs affecting JB Capital's capacity to continue to systematically obtain the best possible result in the execution of Client Orders using the Execution Venues considered in its Execution Policy, in addition to selection of entities for the transmission of Client Orders.

In particular, an assessment will be performed to determine whether a significant change has occurred and the pertinence of modifying the relative importance of best execution factors will be considered with regard to general compliance with achieving the best execution possible. Any changes that affect the Execution Factors indicated in Section 3 will be considered significant.

In addition, JB Capital will check the efficacy of the policy in relation to the entities to which Orders are transmitted for their execution and, in particular, it will control the execution quality of these entities by resolving, if applicable, any possible deficiencies.

JB Capital will undertake periodic monitoring tasks at least once a year, of the compliance with the Order Execution Policy.

14. Consent

JB Capital is obliged to obtain your consent to the Order Execution Policy, for which reason we ask that you send us a signed copy of the confirmation document sent to you. After sending you this document, **JB Capital will assume that the Client has issued said consent once the Client sends an Order to JB Capital.**

If a Financial Instrument is admitted for trading in a Regulated Market, MTF or OTF, JB Capital is obliged to obtain the Client's prior and express consent to execute or to transmit for execution an Order on said financial instrument outside the corresponding Regulated Market, MTF or OTF, for which reason we request that you send us a signed copy of the confirmation document sent to you authorising us to execute Order outside of a Trading Venue.

15. Definitions

Trading Venue – this refers to Regulated Markets, MTFs and OTFs.

Execution Venue – this refers to Trading Venues, systematic internalizers, market makers and other liquidity providers.

Client – see definition for Professional Client.

Professional Client – customer who complies with the criteria established in Appendix II of MiFID II.

Execution Criteria – aspects outlined in Section 4 of this document.

Execution Factors – aspects outlined in Section 3 of this document.

Financial Instruments – includes:

- (i) Transferable securities;
- (ii) Money-market instruments;
- (iii) Units and shares in collective investment undertakings;
- (iv) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;

- (v) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
- (vi) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- (vii) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- (viii) Derivative instruments for the transfer of credit risk
- (ix) Financial contracts for differences;
- (x) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;
- (xi) Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

Systematic internaliser - an investment services company that, in an organised, frequent, systematic and substantial manner, trades on its own behalf when executing Client orders outside a Regulated Market, MTF or OTF without managing a multilateral facility.

JB Capital – JB Capital Markets, S.V., S.A.U.

Regulated Market – means a multilateral system operated and/or managed by a market operator, 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;

MiFID II – Directive 2014/65/EU of the European Parliament and of the Council, of 15 May 2014, on Markets in Financial Instruments, and any other directive, ruling or regulation that implements or complements it.

Order – an instruction to purchase or sell a Financial Instrument that is accepted by JB Capital for its execution or referral to a third party.

Multilateral Trading Facility ("MTF") – a multilateral system operated and managed by an investment firm or a market operator, which brings together multiple third party buying and selling

interests in financial instruments – in the system and in accordance with non-discretionary rules – in a way that results in a contract.

Organised Trading Facility ("OTF") – 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;

Appendix I.A

Trading Venues – Listed Equity Securities, Warrants and ETFs

The list of Trading Venues that JB Capital may access for the execution of Client Orders with listed Equity Securities, Warrants and ETFs is provided below:

- JB Capital directly through its condition of member in the following Regulated Markets and MTFs:

Bolsa de Madrid
Latibex
BME Growth
Euronext Lisboa
Bloomberg BTFE

- Through the brokers or intermediaries indicated in Appendix II.A: for regulated markets in the following countries:

Markets

GERMANY
AUSTRALIA
AUSTRIA
BELGIUM
CANADA
DENMARK
UNITED STATES
FINLAND

FRANCE
GREECE
THE NETHERLANDS
HONG KONG
IRELAND
ITALY
JAPAN
NORWAY
POLAND
PORTUGAL
UNITED KINGDOM
SINGAPORE
SWEDEN
SWITZERLAND

MTF

Aquis
BATS EUROPE
BlockMatch RFQ
CHI-X
Equiduct
TURQUOISE

- Through the brokers or intermediaries indicated in Appendix II.A: for the following Dark Pools:

BlockMatch Dark
Cboe CXE Dark Book
Cboe DXE Dark Book
Cboe LIS
Cboe BXE Dark Book
ITG Posit
Liquidnet H2O
Liquidnet Systems
MS MTF Dark
Nasdaq Copenhagen – Nordic @ Mid
Nasdaq Helsinki – Nordic @ Mid
Nasdaq Stockholm – Nordic @ Mid
Nordic @ Mid
Sigma X Dark
SwissAtMid
TURQUOISE Dark
Turquoise Plato
UBS MTF
Virtue Posit

Appendix I.B

Trading Venues – Fixed Income Financial Instruments

The list of Trading Venues that JB Capital may access for transactions with Fixed Income Instruments is provided below:

- JB Capital directly through its condition of member in the following Regulated Markets and OTFs:

AIAF MARKET
BOLSA DE MADRID FIXED INCOME ELECTRONIC MARKET
MARF
SEND

- JB Capital in the following MTFs:

BLOOMBERG BTFE
EURO TLX
MTS
TRADEWEB EUROPE LIMITED

- JB Capital in the following Dark Pools:

BARCLAYS LX
BATS Dark
BATS LIS
CHIX DAX

Chi Delta
CS CROSSFINDER
GOLDMAN SIGMAX
INSTINET BLOCK CROSS
INSTINET BLOCKMATCH
ITG POSIT
JPM CROSS
KCG MATCHIT
LIQUIDNET
LSE HIDDEN
MS POOL
UBS MTF
TURQUOISE Dark
Turquoise Plato Midpoint
Turquoise Plato Uncross Turquoise Plato Block Discovery
Turquoise Plato Bloxk Discovery (Conditional order venue)
XETRA MIDPOINT

Appendix II.A

Brokers or intermediaries – Listed Equity Securities, Warrants and ETFs

The list of brokers and intermediaries to which JB Capital transmits Client Orders on Equity Securities for their execution is provided below:

MORGAN STANLEY
INSTINET