

Reception and transmission of orders Policy (« RTO Policy »)

Svenska Handelsbanken AB (publ), Luxembourg Branch ("the Bank") does not itself execute order(s) or instruction(s) to trade received by it, but transmits such order(s) or decision(s) to its Head Office, which then executes such orders itself and/or places them with other entities for execution.

As a receiver and transmitter of customers' orders, the Bank will satisfy its obligation to act in the best interests of the Customer when:

- (1) it receives and transmits orders for execution to the Head Office, which meets the MiFID II (as defined below) best execution obligations and is in a position to deliver the best possible result for the Retail Customer or the Professional Customer. Where the Head Office does not execute orders itself, but places them with third parties, the Head Office will meet its best placement obligations and carry out regular (and at least annually) evaluation of the quality of execution obtained from such third parties to ensure that the latter are able to offer best execution. The Head Office will inform and report to the Bank on the proper execution of the Customer's orders. As an entity falling within the scope of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (hereafter "MiFID II"), the Head Office has a solid best execution policy enabling the Bank to comply with its obligations to act in the best interest of the Customer. Where the Head Office places orders with entities that do not fall within the scope of MiFID II (depending on the financial instruments or markets concerned), the Head Office will consider putting in place formal arrangements with selected entities to ensure that they meet the MiFID II best execution standards. A list of all third parties that may be used by the Head Office for the execution of the Customer's orders may be provided by the Bank to the Customer on request of the Customer;
- (2) it takes all sufficient steps so that the Head Office, when executing orders transmitted by the Bank, ensures the best possible result for the Customer, including from a price, cost, speed, execution, size, nature of order or any other consideration relevant to the execution of the order. The Bank draws to the attention of the Customer that depending on the type of financial instruments, achieving the best possible result may be complex. In addition, in cases where the Customer gives a specific instruction (indicating the process for execution of the instruction), the Bank will transmit the instruction in compliance with that instruction, which might not be in line with the Bank's RTO Policy as well as with the Head Office's best execution policy and not be, in the Bank's views, in the best interest of the Customer; and
- (3) it monitors and reviews the execution quality of the Customer's orders and corrects any deficiencies.

Unless agreed otherwise, when receiving an order from the Customer (and accepting it) involving the purchase/subscription or sale/redemption of financial instruments, the Bank will transmit such order with the Head Office which may, in accordance with such its best execution policy:

- (i) execute itself the customer's order,
- (ii) transmit the order to another third party for execution;
- (iii) act as counterparty to the transaction (i.e. deal on own account). When dealing on own account, the third party may act as a systematic internaliser; and
- (iv) execute the trade on a trading venue (regulated market, multilateral trading facility or organised trading facility) or outside a trading venue.

The Bank does not transmit bond orders to its Head Office. For bond trading, the Bank is selecting the counterparty offering the best available price and overall cost for the transaction based on the information available in Bloomberg. A list of the primary counterparties and execution venues used by the Bank for such trades is available to clients upon request. The Bank will also directly execute orders in respect of fund units by forwarding the order to the relevant fund management company (or equivalent) or by forwarding the order to another securities institution which in turn will send the order to the fund management company for execution in accordance with the fund's dealing regulations.

Clients will be informed without delay of any material difficulty in executing a transaction as soon as the Bank becomes aware of any issues. As a general rule, in accordance with Handelsbanken's order execution principles, the Bank will execute orders quickly, efficiently and fairly, and executed orders shall promptly and accurately be recorded and allocated.