

## 1. Introduction

This order execution policy describes how Jyske Bank handles orders involving financial instruments for our customers with the aim of securing the best possible order execution under the circumstances. We call this a best execution obligation.

In the appendix to the policy, you can see the financial instruments covered by this policy and the various factors we take into account when ensuring the best possible execution of a customer order.

The policy applies to retail as well as professional customers, including customers covered by our portfolio management agreements. How Jyske Bank delivers best execution in portfolio management is explained in the appendix to this policy.

Item 6 of the policy applies to eligible counterparties, but the remaining part of the policy only applies to the extent this has been agreed with Jyske Bank. We are, however, still under an obligation to act in an honest, fair and professional way when executing orders for customers categorised as eligible counterparties.

Jyske Bank is a member of the following associations and organisations: the Danish Securities Dealers Association, ACI, ISDA, ICMA, FI. We adhere to the code of conduct of these organisations and associations, as well as the FX Global Code of Conduct, which provides some of the background for this order execution policy.

## 2. Summary for retail customers

This section contains a summary of the order execution policy for our retail customers.

When executing customer orders, we must take all adequate steps to achieve the best possible result for you under the circumstances.

For retail customers, the best possible result will depend on the total remuneration, i.e. the price of the financial instrument and the costs relating to the execution of the order

***Your specific instructions regarding an order may have the result that Jyske Bank will not be able to adhere to our order execution policy with a view to achieving the best possible result for you.***

Jyske Bank has the option to execute your order outside a trading venue. When your order is executed outside a trading venue, the counterparty will generally be Jyske Bank. This means that you will trade the financial instrument directly with us. Your order may also be passed on to one of our business partners if this is deemed best for the overall remuneration.

To ensure the best execution, we continuously monitor our results and the results of the business partners we use to execute your orders.

At your request, we will document that we have executed your order in accordance with our order execution policy.

At our website [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo), you can find an overview of all relevant circumstances in connection with investment and order execution.

## 3. General guidelines for order execution at Jyske Bank

Jyske Bank will take all reasonable steps to achieve best execution when executing your orders. Before investing in financial instruments, we categorise all our customers as retail customers, professional customers or eligible counterparties.

### 3.1. Best execution factors

When executing your order, we will take all adequate steps to achieve the best possible result for you under the circumstances. Among other things, we will consider price, costs, speed, liquidity, the likelihood of execution and payment, form of settlement, the size and nature of the order and any other factors relevant to the execution of your order (best execution factors).

When executing customer orders, we will also take the following factors into account:

- Customer classification
- Order type to be used
- Financial instruments to be traded
- Execution venues to which the order can be directed

For retail customers, the best possible result will depend on the total remuneration, i.e. the price of the financial instrument and the total costs relating to the execution of the order, including fees payable to execution venues, costs of clearing and settlement and other costs for third parties involved in the execution of the order.

For professional customers, the weighting of the best execution factors may vary and will often depend on the agreements you have with Jyske Bank. Price and costs are still important factors, but depending on your needs, we also consider speed and probability of execution decisive factors with a view to ensuring best execution for you. We will always execute your order at a speed that we believe strikes the right balance between market impact on the one hand and, on the other hand, taking into account the need to reduce the risk of us not executing your entire order. Speed must not compromise the quality of order execution.

Probability of execution refers to the likelihood that we will be able to execute your entire order – or at least a significant part of it. This factor becomes particularly important when a financial instrument is illiquid or if you have specified a limit price that deviates from the current market price.

Under certain market conditions, the likelihood of execution may be the most important factor. In such instances, we will select the trading venue(s) where there is sufficient liquidity and interest so that the order can be executed quickly and with the least possible impact on the price.

Other relevant factors: Although the above factors are usually the most important ones, there may be situations where other

factors also come into play and influence our strategy to ensure you the best possible execution.

At your request, we will document that we have executed your order in accordance with our order execution policy.

Please note that orders can be executed electronically and/or manually.

### 3.2. Specific customer instructions

Jyske Bank will pursue this policy unless you give specific instructions as to how your order is to be executed.

**Please be aware that your specific instruction may have the result that Jyske Bank will not be able to adhere to our order execution policy with a view to achieving the best possible result for you.**

## 4. Order execution

### 4.1. Systematic Internaliser (SI)

Jyske Bank is a systematic internaliser in those financial instruments which we trade on an organised, frequent, systematic and substantial basis when we execute customer orders outside a trading venue.

Being an SI, we are obliged - under normal market conditions - to post firm quotes for our customers up to order sizes defined by the EU Commission. We call such firm quotes spot prices.

On a quarterly basis, we publish an overview of those instruments at our website where we act as an SI as well as the size or sizes at which we quote. The overview is available at Jyske Bank's website at this link: [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo)

### 4.2. Execution venues and business partners

Jyske Bank has the option to execute your order outside a trading venue (OTC trading).

A trading venue is defined as a regulated market, a multilateral trading facility or an organized trading facility. Execution venues, is a broader term including systemic internalisers, market makers and other liquidity providers.

Trading rules and market conditions on the trading venue where your order is executed may prohibit us in executing the order in line with your instructions. If that is the case, you will be notified prior to any trade.

When your order is executed outside a trading venue, the counterparty will generally be Jyske Bank. This means that counterparty risk may arise because you are trading the financial instrument directly with us. At your request, we will furnish you with further information of the consequences of trading outside a trading venue.

Your order may be passed on to business partners if this is deemed best for the overall execution. Execution venues are selected in consideration of the best execution factors stated. When making this selection, the execution venues available in the market that Jyske Bank uses for the individual categories of financial instruments are considered. The selection also takes into account Jyske Bank's own commissions and costs

related to the execution of the order through each one of these execution venues. We assess the individual execution venues on a regular basis to achieve the best possible execution of your order.

If your order includes financial instruments, including securities, which are admitted to trading on a trading venue, we may choose to execute the order on that particular venue or with Jyske Bank as the counterparty. Generally, we will be your counterparty if this is not to your disadvantage.

Jyske Bank regularly publishes a comprehensive overview of the most important trading venues we use. The overview targets both retail and professional customers. The overview is available at Jyske Bank's website at this link: [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo)

### 4.3. Partial payment

In the event that your order cannot be executed in its entirety due to lack of liquidity in the market, Jyske Bank will not be under the obligation to carry out partial execution/payment. If possible, the customer will prior to a transaction be asked to decide whether or not he wants partial payment.

### 4.4. Aggregation of orders

Your order may be aggregated with other customer orders or Jyske Bank's own orders when we assess that, on the whole, this will be to the advantage of our customers. If an aggregated order is executed in its entirety, payment will take place at the average price. If an aggregated order is executed in part, payment for individual orders will take place pro rata at the average price, and your order will normally be executed before Jyske Bank's own orders.

In instances where we receive several customer orders at the same price, it will generally be the time of receipt of your order that will decide the order according to which your order will be executed and settled.

### 4.5. Order types

The order type that can be applied depends generally on the order types that are made available by the individual execution venue and the financial instrument that you wish to trade. However, Jyske Bank reserves the right not to accept order types of an execution venue if Jyske Bank's systems do not support the desired order type.

Particularly when using the order type stop loss, the customer should be aware that the desired stop loss price is not equal to the settlement price as factors such as market liquidity and trading volume will affect the final settlement price.

Placing of orders must meet the general terms and conditions for placing orders with Jyske Bank, which are described at Jyske Bank's website in the document "Order types at Jyske Bank". This document describes the types of orders that we offer. The document can be retrieved by clicking this link: [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo)

### 4.6. Right not to execute orders

Jyske Bank reserves the right not to execute orders in connection with which there is suspicion or proof of

circumstances covered by the rules on prohibition on market abuse or in the event we suspect money laundering.

## 5. Special circumstances

If it is possible to trade during force majeure situations, exceptional market conditions and system breakdowns, Jyske Bank may not be able to follow the guidelines for the order execution policy.

Trading venues and other execution venues reserve the right to cancel trades if, for instance, they have been executed on the basis of technical or manual errors.

The rules about cancellation, etc. are described in detail in the membership rules of the individual trading venues. Jyske Bank reserves the right to cancel such trades as may be cancelled under these rules and therefore assumes no liability for such cancellations. Also, Jyske Bank reserves the right to cancel transactions made on the basis of technical or manual errors.

Under unusual market conditions, we are not under an obligation to provide firm quotes for the instruments for which we are a systematic internaliser, see also section 2 above.

### 5.1. Tax-favoured savings

In connection with investments under this type of savings (pension, children's savings or home savings), Jyske Bank can solely trade shares or bonds that have been listed for trading on an organised execution venue outside the EU/EEA provided that the execution venue is a member of the WFE (World Federation of Exchanges) or Jyske Bank in other respects considers the execution venue equal to a regulated market. A list of third-country stock exchanges that are considered regulated is available on [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo)

### 5.2. Powers of attorney etc.

If another person is trading on your behalf, via a power of attorney agreement, etc., the provisions of this order execution policy will still apply to you, and any situations in which you incur cash penalties due to actions by the holder of the power of attorney or lack of action in connection with the settlement of transactions are a matter between you and your holder of a power of attorney, and are of no concern to Jyske Bank, unless Jyske Bank is the holder of the power of attorney.

## 6. Settlement of transactions

Jyske Bank handles the settlement of your securities in connection with transactions made with us. In other words, we ensure that the securities you have bought are safely deposited in your custody account. Similarly, we make sure that securities you have sold are withdrawn from your custody account. Both transactions take place on the value date, which is usually two business days after your purchase/sale.

Derivatives transactions are a contract between you and us, and trading and execution takes place simultaneously.

### 6.1. Third-party trading and settlement

#### 6.1.1. Customers holding custody accounts with Jyske Bank

If you have a custody account with Jyske Bank and you trade with another counterparty than us, we will only handle the settlement to and from your custody account by depositing or withdrawing on the basis of instructions received from you and the counterparty you have traded with. As such, we are not to be considered a party of the transaction.

To ensure timely settlement, we must receive adequate information about transactions made and the required settlement details no later than on 12 noon on the day before the value date. If we do not receive the relevant settlement details within the deadline, we may refuse to settle the transaction. This may lead to errors in the settlement of the transaction, and you may be required to cover any costs, etc. The settlement details should be sent to [settlement@jyskebank.dk](mailto:settlement@jyskebank.dk).

#### 6.1.2. Customers without custody accounts with Jyske Bank

If you do not have a custody account with Jyske Bank and you trade with us, we will settle transactions made against your custodian bank, which handles the final settlement to your custody account.

To ensure timely settlement, you must prior to placing the order disclose the required settlement details (SSI) to us, and we must subsequently exchange adequate trading information about the specific transaction.

If we do not receive the relevant settlement details within the deadlines set out below, it could lead to errors in the settlement of the transaction, and you may be required to cover any costs, etc.

##### 6.1.2.1. Retail Customers

If, contrary to expectations, we have not already received the required settlement details and exchanged adequate trading information with you at the transaction date, as a retail customer you must send all relevant settlement details to us on the first business day after the date when the transaction took place.

##### 6.1.2.2. Professional customers

If, contrary to expectations, we have not already received the required settlement details and exchanged adequate trading information with you at the date of transaction, you must inform us in writing about these details no later than at 4:00pm on the transaction date. If you reside in a time zone more than two hours different from our time zone, or if you have traded after 4:00pm on the transaction date, the deadline will be 12 noon on the day after the transaction date.

## 6.2. Cash penalties

Pursuant to the EU Central Securities Depositories Regulation (CSDR), central securities depositories must impose a cash penalty if a securities transaction is not settled at the value date. This cash penalty is passed onto Jyske Bank for all custody accounts held with Jyske Bank. However, Jyske Bank will not pass cash penalties onto you if you **have a custody account with Jyske Bank**, neither when a cash penalty is imposed on Jyske Bank or when Jyske Bank receives penalty funds from others.

If you **do not have a custody account** with Jyske Bank, your custodian bank will be imposed/receive cash penalties for your

transactions. It is therefore up to your custodian bank to decide whether and how these cash penalties will be passed onto you.

#### **7. Monitoring, control, and changes**

At least once a year, Jyske Bank's order execution policy will be revised by a centralised forum for best execution with a view to ensuring the optimum execution of all types of customer orders.

There will also be ongoing evaluation of business partners and other factors that influence order execution at Jyske Bank.

The date of this policy refers to the date of the most recent changes. If a review of the policy does not result in any changes, the date of the policy will not change.

The order execution policy in force will always be available at our website at this link: [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo).

#### **8. Additional information**

Customers with Jyske Bank can at our website find an overview of all relevant circumstances in connection with investment and order execution in the financial markets by clicking the following link: [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo).

### Appendix 1: Equities and equity-like instruments

This appendix describes our best execution procedures for trading in equities and equity-like instruments, including:

- Equities
- Investment association certificates
- Exchange-traded funds (ETFs) and certificates
- American Depositary Receipts and Global Depositary Receipts
- Structured products (equity-like)

#### Best execution factors

For retail customers, the best possible result will depend on the total remuneration, i.e. the price of the financial instrument and the total costs related to the execution of the order, including fees payable to execution venues, costs of clearing and settlement and other costs for third parties involved in the execution of the order.

For professional customers, the weighting of the best execution factors may vary and will often depend on the agreements you have with Jyske Bank. Price and costs are still important factors, but depending on your needs, we also consider speed and probability of execution decisive factors with a view to ensuring best execution for you.

#### Procedures for analysing and checking results

We've set up a systematic deviation check that sends out alerts when a price is more than 5% off the current market price.

In addition, an internal control function at Jyske Bank does half-yearly reviews of customer trades. This function operates independently of the units that handle customer orders. The results of the control are subsequently discussed and evaluated in Jyske Bank's best execution forum.

The trading functions, which are directly responsible for ensuring best execution, can similarly assess whether Jyske Bank has sufficient access to liquidity and whether our partners provide competitive prices.

#### Special circumstances for handling of orders involving equities and equity-like instruments

This section describes the circumstances that especially apply in connection with trading involving equities and equity-like instruments. The special conditions described below supplement the conditions mentioned in the order execution policy.

You decide how you wish to trade with Jyske Bank. In relation to the individual order types available to you, we refer to our general terms for order placement.

For all instruments, we have the option to execute your market orders with Jyske Bank as a counterparty. When using market orders, you should be aware that – in contrast to instant orders – delays in execution can occur in connection with periods without observable prices in the market.

#### Trading in equities

Jyske Bank may assess that the market conditions or the attributes of the order you have placed justify that we divide your order into several smaller orders. This would be the case if your order is large, and we assess a single order execution would have a negative effect on your price.

Jyske Bank is not obliged to quote spot prices for orders in excess of the standard market size. Standard market size is determined on the basis of turnover data published on a quarterly basis by the European Supervisory Authority ESMA.

#### Trading via Smart Order Routing

A number of our business partners and Nasdaq OMX Denmark, Sweden and Finland offer the possibility of trading via a functionality called Smart Order Routing (SOR) in connection with large cap equities/CCP cleared equities traded through them. We generally make use of these functionalities. SOR is a functionality that can be used in connection with all order types – except for instant orders. When SOR is used, the functionality will search pre-defined execution venues to find the best price for the specific share requested and execute the purchase/sale where the price is best.

#### Trading in foreign equities via e-trading solutions

When you are offered access to trade foreign equities through our e-trading solutions, your orders are placed with one or several of our business partners and subsequently booked as a trade with Jyske Bank as a counterparty.

#### Trading in investment association certificates

When executing orders for investment association certificates, we will trade the order in the market or place the order with the market maker/administrative company behind the investment association/mutual fund or investment association certificate. We may also choose to act as counterparty for the trade, if this is assessed not to be to your disadvantage.

For investment association certificates where we act as an SI, we will make public firm quotes on a regular and continuous basis. In case of events in the market that Jyske Bank considers have a significant effect on the NAV (exceptional market conditions), we reserve the right not to post firm quotes during such periods where a new NAV is being calculated.

#### Trading in certificates and ETFs

When you trade certificates admitted to trading on Nasdaq Copenhagen, we will normally execute your order directly in the market. Consequently, you will normally not be trading with us as your counterparty. If your order pertains to foreign certificates, we will execute your order via one of our business partners.

When you trade ETFs, we will normally execute your order via one of our business partners. Consequently, you will normally not be trading with us as your counterparty.

## Appendix 2: Bonds

This appendix describes our best execution procedures for trading in bonds, including:

- Mortgage bonds
- Government bonds
- Corporate bonds
- Structured Products (bond-like)

### Best execution factors

For retail customers, the best possible result will depend on the total remuneration, i.e. the price of the financial instrument and the total costs related to the execution of the order, including fees payable to execution venues, costs of clearing and settlement and other costs for third parties involved in the execution of the order.

For professional customers, the weighting of the best execution factors may vary and will often depend on the agreements you have with Jyske Bank. Price and costs are still important factors, but depending on your needs, we also consider speed and probability of execution decisive factors with a view to ensuring best execution for you. In addition, the best execution obligation will depend on which party initiated the transaction, normal market practice, and access to price transparency.

### Procedures for analysing and checking the results

We've set up a systematic deviation check that sends out alerts when a price is more than 5% off the current market price.

In addition, an internal control function at Jyske Bank does half-yearly reviews of customer trades. This function operates independently of the units that handle customer orders. The results of the control are subsequently discussed and evaluated in Jyske Bank's best execution forum.

The trading functions, which are directly responsible for ensuring best execution, can similarly assess whether Jyske Bank has sufficient access to liquidity and whether our partners provide competitive prices.

### Special circumstances for handling of orders involving bonds

For market orders in bonds, where Jyske Bank is not a systematic internaliser, the order may be executed with Jyske Bank as a counterparty on market terms on the basis of the best execution factors. When using market orders you must be aware that – in contrast to instant orders – delays in settlement can occur in connection with periods without observable prices in the market.

Trading of bonds often takes place on dealer markets (quote-driven markets). When Jyske Bank quotes prices of bonds traded outside a trading venue, an agreement is concluded between Jyske Bank and the customer by the customer accepting a firm price.

### Trading in Danish mortgage bonds

The price formation on the Danish market for mortgage bonds is normally determined in the institutional market. Consequently, Danish mortgage bonds do not always have an

observable market price because they are not traded on the trading venue where they are admitted for trading. Therefore, when you trade with us as a counterparty, our prices are based upon our own internal price models, which – among other things – build upon accessible market data and models for the future interest-rate development.

For mortgage bonds where we act as a systematic internaliser, we will make public firm quotes on an ongoing basis. In case of events in the market that Jyske Bank assumes have a significant impact on our internal price models (exceptional market conditions), we reserve the right not to post firm quotes during such periods where our price model is being adjusted. Read more about our policy on systematic internalisation at [www.jyskebank.dk/investeringsinfo\\_jkj](http://www.jyskebank.dk/investeringsinfo_jkj)

### Trading in corporate and emerging market (EM) bonds

Customer orders relating to corporate and EM bonds are normally executed with Jyske Bank as the counterparty, but can also be executed via our business partners, with due consideration to the best execution factors, or executed directly on a trading venue.

For certain corporate and EM bonds, there is not always an observable market price available. This may be due to lack of liquidity in the market, that the bonds are not traded on the trading venue where the bonds are admitted for trading, or that the bonds are not at all admitted for trading on a trading venue. Therefore, when you trade with us as a counterparty, our prices are based upon our own internal price models, which - among other things - are built upon accessible market data and models for the future interest-rate development.

### Trading in government bonds

The execution of orders for government bonds will normally take place with Jyske Bank as the counterparty, and will not necessarily be executed through our business partners, or on a regulated market.

### Appendix 3: Derivatives

This appendix describes our best execution procedures for trading in derivatives, including:

- Exchange-traded derivatives
- Interest-rate derivatives
- FX derivatives

#### Best execution factors

For retail customers, the best possible result will depend on the total remuneration, i.e. the price of the financial instrument and the total costs related to the execution of the order, including fees payable to execution venues, costs of clearing and settlement and other costs for third parties involved in the execution of the order.

For professional customers, the weighting of the best execution factors may vary and will often depend on the agreements you have with Jyske Bank. Price and costs are still important factors, but depending on your needs, we also consider speed and probability of execution decisive factors with a view to ensuring best execution for you. In addition, the best execution obligation will depend on which party initiated the transaction, normal market practice, and access to price transparency.

#### Procedures for analysing and checking the results

For exchange-traded derivatives, an internal control function at Jyske Bank prepares half-yearly reviews of customer transactions. This function operates independently of the units that handle customer orders. The results of the control are subsequently discussed and evaluated in Jyske Bank's best execution forum.

The trading functions, which are directly responsible for ensuring best execution, can similarly assess whether Jyske Bank has sufficient access to liquidity and whether our partners provide competitive prices.

For OTC products where we compete with other market makers, we consider our best execution obligation to be fulfilled when the customer chooses to trade with us.

#### Special circumstances for handling of orders involving derivatives

Market orders in derivatives can be executed with Jyske Bank as the counterparty at market terms on the basis of best execution factors. When using market orders you must be aware that – in contrast to instant orders – delays in settlement can occur in connection with periods without observable prices in the market.

Trading of derivatives often takes place on dealer markets (quote-driven markets).

Are you trading OTC or bespoke products, i.e. financial

instruments that are not admitted to or traded on a trading venue, we will control the fairness of the price by reference to accessible market data and by comparison with similar products.

The pricing of these instruments will typically be based on market value or the value of the underlying assets and other relevant factors in the market. When pricing such products, Jyske Bank will furthermore take into account factors such as Jyske Bank's costs relating to credit risk and operational risk relating to Jyske Bank's offsetting transaction as well as the use of equity when trading with the customer.

When Jyske Bank quotes prices of OTC traded financial instruments, an agreement is concluded between Jyske Bank and the customer by the customer accepting a firm price.

#### Listed derivatives

The execution of orders for listed derivatives will normally take place with Jyske Bank as the counterparty, and will not necessarily be executed through our business partners, or on a regulated market.

We consider the price the most important best execution factor, but speed and probability of settlement may be an important factor depending on your requirement and the risk you wish to minimise.

#### Trading in FX derivatives

Pricing in the FX market takes place on market conditions, which means that the transaction will generally be executed at the price at which we can hedge the transaction at the individual market players. We use recognised external business partners as references in connection with the execution of the customer order so that we make sure it is executed at a market price. Moreover, we use Jyske Bank's own reference prices, which have been calculated on the basis of various factors such as volatility and yield curves.

The execution of FX orders will always take place with Jyske Bank as the counterparty, and will not necessarily be executed through our business partners.

When using Fixing orders for foreign exchange, please see a separate description of this, which is available upon request to Jyske Bank.

The pricing of FX swaps and futures is based on market values, and the transaction will be executed at the price at which we can hedge the transaction in the market. We use recognised external market players as references in connection with the execution of orders.

The trading price offered to you may include a margin. The margin is set on the basis of the individual customer relationship and the market conditions, including volatility and liquidity. We therefore point out that our customers are not necessarily charged the same margin.

#### Trading in commodity derivatives

The execution of orders for commodity derivatives will always take place with Jyske Bank as the counterparty, and a transaction will not necessarily take place with our business partners.

The commodity derivative contract, which you trade with us, will therefore always be an OTC instrument, reflecting current market prices for the commodity in question. Therefore, you

will normally not have the option to trade exchange traded commodity derivatives with us.

The pricing of commodity swaps and commodity futures is based on market values, and the transaction will be executed at the price at which we can hedge the transaction in the market. We use recognised external market players as references in connection with the execution of orders.

The trading price offered to you may include a margin. The margin is set on the basis of the individual client relationship and the market conditions, including volatility and liquidity. We therefore point out that our customers are not necessarily charged the same margin.

#### **Interest-rate derivatives**

The pricing in the market for interest-rate derivatives is based on market values, and the order will generally be executed at the price at which we can hedge the transaction in the market or through counterparties in the interbank market. We can also use Jyske Bank's own price models to calculate a price for orders where the price will be calculated on the basis of market factors such as FX rates, volatility and yield curves.

The execution of orders for interest-rate derivatives will generally take place with Jyske Bank as the counterparty, and a transaction will not necessarily take place with our business partners.

We consider the price the most important best execution factor, but speed and probability of settlement may be an important factor depending on your requirement and the risk you wish to minimise.

#### **Appendix 4 - Securities financing transactions**

This appendix describes our best execution procedures for trading in securities financing transactions, including:

- Repo transactions

##### **Best execution factors**

For retail customers, the best possible result will depend on the total remuneration, i.e. the price of the financial instrument and the total costs related to the execution of the order, including fees payable to execution venues, costs of clearing and settlement and other costs for third parties involved in the execution of the order.

For professional customers, the weighting of the best execution factors may vary and will often depend on the agreements you have with Jyske Bank. Price and costs are still important factors, but depending on your needs, we also consider speed and probability of execution decisive factors with a view to ensuring best execution for you.

##### **Procedures for analysing and checking the results**

We consider our best execution obligation to be fulfilled when a customer agrees to trade a repo transaction with us under individually negotiated contract terms.

##### **Special circumstances about repo transactions**

When you enter into a repo transaction (securities financing transaction), you always trade with us as your counterparty, and the price is determined on the basis of our internal pricing models, which are based on, among other things, available market data and models for interest rate developments, market volatility, the size of the transaction, and yield and credit curves.

**Addendum: specifically regarding portfolio management**

**Purpose**

When Jyske Bank provides portfolio management services, we have an obligation to look after your interests in the best possible way. We therefore always follow the applicable **order execution policy** and the **investment mandate** we have agreed with you.

Portfolio management is generally provided by **Jyske Capital**, an independent unit within Jyske Bank A/S, which operates independently of Jyske Bank's other activities. Jyske Capital uses business partners that may differ from the rest of Jyske Bank. The quality of these business partners is assessed on an ongoing basis, and an updated list is available at: [www.jyskebank.dk/investeringsinfo](http://www.jyskebank.dk/investeringsinfo)

**Best execution factors**

When we decide to act on your behalf, we are obliged to ensure best execution, i.e. to look after your interests in the best possible way and thus execute your orders in the best possible manner.

We assess the following factors based on a reasonable estimate and in accordance with your investment mandate, transaction type, and market conditions:

- **Price** of execution
- **Costs** of order execution
- **Speed** and likelihood of execution and settlement
- **Order size and type**
- **Market impact** and other relevant factors

Our primary goal is to obtain the best possible price for the entire order while minimising market impact. The likelihood of order execution often depends on market liquidity or on whether a specific counterparty can or will provide the necessary liquidity.

Depending on the type of financial instrument being traded – e.g., equities, bonds, or investment associations – we weight the various criteria for order execution differently.

With equities, **price** and **speed** can be decisive, while with bonds we typically place greater emphasis on **liquidity**, **trading costs**, and the possibility of obtaining a **favourable price** in an often less transparent market.

We always adapt our assessment to the specific situation and the instrument being traded – with the aim of ensuring you the best possible execution.

**Procedures for analysing and checking the results**

Control measures follow the same principles as described in the appendices for each asset class in the order execution policy. Particular emphasis is placed on the selection of execution venues and business partners from a portfolio perspective, as well as on the fact that trades are often aggregated.

**Special conditions regarding portfolio management**

**Aggregation of orders**

When providing portfolio management services, we act in your best interests and ensure consistent treatment of all our customers. We therefore aggregate orders to be placed on the market for execution when we decide to trade the same financial instrument for several customers at the same time. Order aggregation is common practice. When we aggregate orders, they are allocated among customer portfolios using the traded price. If orders can only be executed partially due to liquidity or other market factors, we will allocate them proportionally so that all customers are treated equally.

**Agent role**

In portfolio management, we generally act as an agent. This means that we trade in our own name but on your behalf – without realising a profit or loss on the transaction. When we provide portfolio management services, we do not act as your counterparty by trading on our own account.

**Internal order matching**

Matching opposing orders between customers covered by asset management agreements/portfolio management agreements at Jyske Capital may occur. We only apply internal order matching if we can make sure that you would not be worse off had internal order matching not been applied, and provided, among other things, that prices reflect actual market prices.

Jyske Bank does not apply systematic internal order matching in financial instruments for which we are a systematic internaliser.