Best Execution Policy
of Dom Maklerski TMS Brokers S.A.

1. Introduction

1.1. This "Best Execution Policy of Dom Maklerski TMS Brokers S.A." (hereinafter: the **Policy**) sets out detailed rules of conduct of Dom Maklerski TMS Brokers S.A. (hereinafter: **TMS Brokers** or the **Company**) in connection with the execution of the service consisting in the execution of orders to buy or sell financial instruments and also in connection with the best execution obligations imposed on the Company.

1.2. This Policy applies to financial instruments and products specified in the Terms of Business and Financial Instruments Specifications for the following services:
- TMS Trader
- TMS Connect and TMS Connect Professional (hereinafter: TMS Connect),
- TMS Prime
- TMS Direct and TMS MiniDirect (hereinafter jointly referred to as TMS Direct)
- TMS Markets

1.3. The Policy sets out in particular: Order Execution Models and Venues (Chapter 3), best execution factors (Chapter 4), general and specific terms of order execution (Chapter 5 and 6), method of creating quotations (Chapter 7), process of verifying and monitoring the best execution (Chapter 8).

1.4. All Retail and Professional Clients (hereinafter: **Client** or **Clients**) of TMS Brokers are required to read the content of this Policy and to make sure that the rules set out herein are understandable and acceptable.

1.5. Prior to concluding the contract for the execution of orders, TMS Brokers shall provide the Client with the content of this Policy on the website of TMS Brokers (https://www.tmsbrokers.com/documents). By concluding a contract for the execution of orders, the Client agrees to the content of the Policy.

1.6. TMS Brokers shall conduct its business activity in a fair, reliable, professional manner and in accordance with the best interest of the Client. As far as the sequence of execution of orders is concerned, TMS Brokers shall take all reasonable steps to obtain the best possible results when executing Client orders.

1.7. The principles of acting in the best interest of the Client in relation to the Portfolio Management service are set out in a separate document, i.e. "The policy of acting by Dom Maklerski TMS Brokers S.A. in the best interest of the Client", and in relation to the service of accepting and transmitting orders, they have been specified in the "Policy of acting of Dom Maklerski TMS Brokers S.A. in the best interest of the client for the service of receiving and transmitting orders".

2. Definitions

2.1. **Liquidity Provider** — an entity with which TMS Brokers enters into hedging transactions

2.2. **OTC market financial instruments** — OTC derivatives available in the TMS Brokers offer — in particular contracts for difference (CFDs), forwards

2.3. **Reference entity** — an entity that provides TMS Brokers with market data, owing to which the Company assesses whether transactions were executed at market prices

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2.4. **Regulation No. 600/2014** — Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No. 648/2012

2.5. **Regulation 2017/565** — Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive;

2.6. **Regulation 2017/575** — Commission Delegated Regulation (EU) 2017/575 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards concerning the data to be published by execution venues on the quality of execution of transactions

2.7. **Regulation 2017/576** — Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution

2.8. **Quotation Source** — an entity that provides TMS Brokers with the information on prices available on the market at a given time. Such entities may be in particular financial institutions and reputable information agencies, including Liquidity Providers of TMS Brokers

3. Order execution Models and Venues

3.1. As part of the provision of services related to the execution of orders to buy or sell financial instruments, TMS Brokers distinguishes the following order execution models:

3.1.1. acting for its own account, being the only Execution Venue and a party to the transaction - for OTC market financial instruments,

3.1.2. acting for its own account, being the only Execution Venue and a party to the transaction, at the same time fully hedging all transactions with Liquidity Suppliers - for OTC market financial instruments,

3.1.3. acting on its own behalf for the Client's account - in the case of financial instruments for which regulated markets are the Execution Venue.

3.2. The models referred to in clauses 3.1.1 and 3.1.2 apply to orders concerning financial instruments available in the TMS Trader, TMS Connect, TMS Prime and TMS Markets services. Client's orders are executed only in TMS Brokers which means that they are executed outside a trading venue. By placing an order, the Client agrees to the execution of his order outside a trading venue.

3.3. Execution of orders outside a trading venue means that the Client is additionally exposed to the counterparty's credit risk, i.e. the risk of TMS Brokers failing to fulfil the obligation resulting from the transaction prior to the final settlement of cash flows related to this transaction. At a request of the Client, TMS Brokers shall provide additional information about the consequences of such manner of Order execution.

3.4. In the case of the TMS Direct service, for all OTC instruments the model referred to in clause 3.1.2 is used, wherein the Liquidity Provider in this case in Saxo Bank A/S, while in the case of financial instruments for which the Execution Venue are regulated markets - the model referred to in clause 3.1.3, through the mediation of Saxo Bank A/S.

3.5. As part of the models described above, attention should be paid to the fact that:

3.5.1. in the case of the model referred to in clause 3.1.1 - TMS Brokers quotations are based on prices from Quotation Sources - in accordance with the provisions of Chapter 6 of this Policy - due to technical and organisational conditions as well as the market risk management strategy, Clients' transactions may be partially secured with Liquidity Providers,

3.5.2. in the case of the model referred to in clause 3.1.2 - TMS Brokers quotations are based on prices from Liquidity Providers with whom the Company concludes hedging transactions - functioning in such a model means that the order confirmation time may be extended

because upon receipt of the Client's order TMS Brokers concludes a hedging transaction and only after receipt of the confirmation of transaction conclusion from its Liquidity Provider it confirms the transaction to the Client,

3.5.3. in the case of the model referred to in clause 3.1.3 - TMS Brokers quotations are identical to prices from regulated markets.

3.6. Quotations referred to points 3.5.1-3.5.3 are for information purposes only. The actual execution of the order will be made at the best available price for the Client at the time of the execution order, taking into account the market depth, i.e. price levels depending on the transaction volume. The strike price can be different from the price visible at the moment when the Client sent the order from his terminal, i.e. it can be significantly better and significantly worse for the Client. The final price will be given after completing the order.

3.7. TMS Brokers defines a list of execution venues on which it relies in ensuring the best possible execution of client orders - for the model referred to in clause 3.1.3 it will be a list of execution venues, while for all models it will be a list containing Quotation Sources, including Liquidity Providers and Reference Entities. This list is available on the TMS Brokers website (https://www.tmsbrokers.com/documents) in the form of a supplement to the Policy adopted by the Regulation of the President of the Management Board.

3.8. When selecting the entities referred to in clause 3.7, TMS Brokers takes into account in particular the best execution factors referred to in Chapter 4. TMS Brokers implemented a number of solutions allowing to monitor and verify the best execution process (Chapter 7) which may lead to changes of the entities referred to in clause 3.7.

3.9. TMS Brokers does not discriminate between individual execution venues on which the Company relies in ensuring the best execution of Client orders, by applying higher fees and commissions, unless this is due to objective factors, e.g. costs incurred by TMS Brokers in connection with the maintenance of such a venue.

3.10. As part of the provision of services related to the execution of orders to buy or sell financial instruments, TMS Brokers does not aggregate the Client's order with one or more orders of other Clients or with transactions concluded for own account, within the meaning of Article 68 of Regulation 2017/565.

4. Best execution factors

4.1. In the case of order execution services, TMS Brokers takes all reasonable steps to obtain the best possible results for the Client, taking into account in particular the price of the financial instrument, costs related to the execution of the order, speed and time of the transaction, likelihood of execution and settlement, the size of the order, nature of the Order as well as other factors that may affect the order execution, such as the technological stability of the solutions used.

4.2. When determining relative importance of the factors referred to in clause 4.1, TMS Brokers takes into account the following criteria:

4.2.1. the characteristics of the Client including the categorisation of the Client as a Retail or Professional Client;

4.2.2. the characteristics of the Client order;

4.2.3. the characteristics of the financial instruments that are the subject of that order;

4.2.4. the characteristics of the execution venues to which that order can be directed.

4.3. The following table shows the relative importance that TMS Brokers attributes to the individual factors specified in clause 4.1. (taking into account the criteria set out in clause 4.2.), as well as a description of how these factors affect the process of obtaining the best possible result for the Client:

Factor	Description	Importance

Price of the financial instrument	TMS Brokers pays special attention to the quality of price quotations provided by external sources (Quotation Sources, Liquidity Providers) on the basis of which the Company creates quotations for Clients, making every effort to ensure that the price of a given financial instrument is competitive and reflects its market value as closely as possible	High
Costs related to order execution	TMS Brokers strives to keep transaction costs as low as possible for the Client when charging its mark-up on transactions and commissions. The Company presents to Clients the amount of the most probable transaction costs, such as commissions, spreads, swap points, rollover mark-ups etc., specified in the following documents relevant for a particular offer variant: financial instruments specification, rollover table, swap points table and table of fees and commissions before execution of the transaction by the Client.	High
Order execution	Bearing in mind the high importance of this factor of the order execution service for the Clients, TMS Brokers makes every effort to ensure that this time is as short as possible while taking into account other best execution factors. In the vast majority of cases, the Company executes orders as quickly as possible in automatic mode (without dealer's participation), indicating that in order to determine the best transaction price - transaction prices can be confirmed by the dealer manually during trading, which may extend the time to as much as 180 seconds. Such orders are executed without undue delay after confirming the accuracy of the price. The Client should keep in mind that if the order is executed in 3.1.2 or 3.1.3 models, the lead time may be longer - however, the order will be executed by TMS Brokers without undue delay.	High
Probability of concluding a transaction and its settlement	TMS Brokers makes every effort to, if possible, execute all Clients' orders while taking into account other best execution factors. The possibility to execute the order and conclude the transaction has a significant impact on the quality of the service provided to the Client, therefore TMS Brokers monitors the percentage of rejected orders and makes every effort to make it as low as possible.	High
Order size	The size of the order may have a significant impact on the exercise price, due to the available liquidity. The Client should be aware that the higher the nominal value of the order, the higher the probability of the order being executed at a price that significantly differs from the price quoted in the transactional system. TMS Brokers inputs the minimum and maximum order size	High

	in the Financial Instruments Specification for a given service variant.	
Nature of the order	Orders are completed in accordance with the principle of price/time priority. Depending on the nature of the order (e.g. a market order, pending orders), the method of determining the final exercise price may differ, as described in detail in Chapter 6 of this Policy and in the Terms and Conditions of individual services.	Medium
Technological stability	Due to the fact that orders are executed via transactional systems, TMS Brokers considers their proper operation to be of key importance and therefore it makes every effort to ensure the continuity of mechanisms and IT tools supporting these systems, including with regard to the provision of the information on prices to Clients.	High
Other factors	TMS Brokers periodically reviews the applicable Best Execution Policy. If any factors other than those mentioned above are identified that have an impact on ensuring the best execution for the Client, these factors will be reflected in this Policy.	-

4.4. In the case of a Retail Client order, the best possible result is determined in general, taking into account the price of the financial instrument, probability of concluding the transaction, order execution costs which include all costs that the Retail Client would incur in connection with the execution of such order, including fees collected by the order processing system, fees for clearing and settlement of the transaction as well as all other fees paid to third parties participating in the order execution.

4.5. TMS Brokers executes orders immediately after the fulfilment of the condition indicated in the order (in particular in relation to market conditions) in the order they were accepted, unless the Client's instructions or order nature indicate otherwise, or if such order would be against the Client's interest.

4.6. TMS Brokers immediately notifies the Client about circumstances that prevent the execution of the order. Notification shall be made in the manner and on the terms specified in the Terms and Conditions of the provision of a given service, in particular via the transactional system.

5. Execution of orders — general information

5.1. TMS Brokers uses automated transaction systems to execute Client orders.

5.2. TMS Brokers makes every effort to ensure that delays do not occur during the execution of the order, in particular for orders placed via online trading systems. The Client should be aware that the time of order fulfilment depends on the form of its submission (by phone, in the transaction system, personally at the headquarters of TMS Brokers), the method and model of its implementation

5.3. Some orders placed via online transaction systems can be handled by manually. In the event of an Extraordinary Change of Relations or Exceptional Circumstances within the meaning of the applicable terms and conditions of the provision of the service, TMS Brokers may be forced to interrupt the normal procedures of automatic order execution and redirect the handling of these orders to manual execution, which may lead to extending the order execution. To minimise such a risk, TMS Brokers has in place solutions that ensure the fast, accurate and fair execution of Client orders to the greatest possible extent.

5.4. Handling by manually consists in checking correctness of the quoted price when executing the order by a human (as opposed to the automatic order assessment process).

5.5. Orders may be also handled by manually if their nominal value exceeds the value threshold specified in the Financial Instruments Specification for a given system (TMS Trader, TMS Connect, TMS Prime and TMS Markets).

5.6. Execution of orders of individual Clients may be carried out by TMS Brokers in the case of justified suspicions that the Client commits market abuse (MAR), concludes transactions that may be related to money laundering (AML), or attempts to exploit non-market prices or an information advantage within the software used or enters into transactions in a time interval of less than 2 minutes.

5.7. The Client of TMS Brokers has the option to submit orders specified in the terms and conditions of the provision of the service or the financial instruments specifications.

5.8. The manner of activation and execution of orders for each of the services is described in the individual terms and conditions of the provision of services or the financial instruments specifications.

5.9. TMS Brokers may reject a Client's order in the cases set out in the terms and conditions of the provision of the service or the financial instruments specifications.

5.10. TMS Brokers presents once a quarter the standard time of order execution for OTC financial instruments broken down into individual classes of underlying assets. The standard order execution time shall be understood as the time of execution of 99% of all orders.

5.11. Statistics concerning the standard order execution time will be presented on https://www.tms.pl/dokumenty in the form of a supplement to the Policy. A change in the supplement shall not constitute a change of the Policy content.

5.12. The statistics do not form part of the contractual relationship and do not constitute any obligation of TMS Brokers to execute current orders on the basis of the historical results and are presented solely for illustrative/information purposes.

5.13. TMS Brokers expects that in the following circumstances the order execution time may be longer than the standard time:

- confirmation of transactions executed by human dealer (manually);
- failure of IT systems and data communication networks;
- interruption or suspension of quotations of underlying instruments or other similar situations;
- price gaps;
- incorrect quotation provided by price providers or liquidity providers;
- inconsistent quotations provided by liquidity providers;
- delays in data transmission;
- high price volatility of the underlying instrument;
- low liquidity on the underlying market;
- extraordinary market events on the underlying market;
- in cases of force majeure;
- imposing special conditions for transaction execution by given underlying instrument market;
- market opening;
- publication of macroeconomic data;
- significant market events;
- detailed Client instructions;
- conditions for the execution of the order specific to a given financial instrument;
- distance of the Client from the transaction server;
- connection quality;
- waiting for confirmation or execution of a transaction by a liquidity provider.

5.14. At a Client's request, TMS Brokers provides the Client with the information necessary to verify the correctness of TMS Brokers's actions with regard to the time of order execution in excess

of the standard execution time, in particular by indicating the circumstances preventing the order execution in the standard time in relation to orders placed by that Client.

5.15. In addition, TMS Brokers publishes on its website the information on:

- The average order execution time calculated as the quotient of the aggregated time of completion of all orders in the analysed quarter and the number of executions in the analysed quarter,
- The percentage informing how many orders are executed in less than 1 second.

5.16. Notwithstanding the foregoing, for the TMS Trader, TMS Connect, TMS Prime and TMS Markets systems, the Company executes orders within a maximum time of 180 seconds, except for contracts for difference (CFD's) based on equities for which the Company executes orders within a maximum time of 600 seconds. After that time, orders are cancelled.

5.17. For each transaction system and type of financial instrument, TMS Brokers presents in the appropriate order Quotation Sources and Reference Entities in accordance with the provisions of clause 3.7 of the Policy. Depending on the transaction system and financial instrument, the Client has the opportunity to check respectively the price at which his order was executed. If the Client finds that the order was executed at the incorrect price, within the meaning of the specified terms and conditions of the provision of the service the Client has the right to ask for change the transaction price or withdraw from the transaction concluded. The same right is also vested in TMS Brokers. The source of quotations from the catalogue specified in the given order is selected at a discretion of TMS Brokers and TMS Brokers is not obligated to inform the Client of each change thereof. Detailed rules of informing and correcting or withdrawing from transactions are described in the terms and conditions of the provision of services.

5.18. TMS Brokers has the right to close the position of the Client in cases and on the terms specified in the applicable terms and conditions of the provision of the service or contractual documentation..

5.19. In situations of extraordinary volatility in prices, limited liquidity, and also in other cases specified in the individual terms and conditions of the provision of the service, TMS Brokers may widen transactional spreads. Such a change shall not require a notice to the Client on each occasion. Detailed information on the circumstances of widening the spreads is presented in the individual terms and conditions of the provision of the service. If the target spread is not determined, market spreads are applied, increased by a potential mark-up (specified in Table of Fees and Commissions). TMS Brokers may refuse to execute a transaction if it is unable to quote a market price or there is no source that would allow verification of the correctness of the price at the time the order is executed.

5.20. TMS Brokers may change the Quotation Sources, e.g. if the source ceased to provide quotations or had an interruption in the delivery of quotations or there were interruptions caused by a loss of Internet connection or in other cases, e.g. after a review of the quality of a given source, however subject to the commitment to act in the best interest of the Client. Such change does not require the Client to be informed every time

5.21. TMS Brokers allows Clients to execute orders in the market mode. The final price of the order which is executed in the market mode may differ from the quotation available at the moment when the order was placed by the Client for execution, i.e. TMS Brokers does not guarantee the execution of the order at the price shown in Transaction System (price slippage). Details of how to execute orders regarding the price and any deviations thereof are specified in the Financial Instruments Specifications and the terms and conditions of the provision of the service.

5.22. In the event of a situation defined as an Extraordinary Change of Relations or Exceptional Circumstances within the meaning of the Terms and Conditions of the provision of a given service, TMS Brokers may decide to suspend quotations or to quote financial instruments in the request mode. This mode is based on the fact that each time the Client must send an

inquiry about the price applicable to the instrument, and the transaction is concluded based on the Company's response.

6. Detailed rules for the execution of orders in transaction systems

6.1. MT5 transaction systems: TMS Trader, TMS Connect and TMS Prime and MT4 transaction system: TMS Markets.

6.1.1. In the process of executing **market orders**, in the mode referred to in clause 3.1.1 TMS Brokers performs orders (other than pending orders or stop-out orders) on the following principles:

6.1.1.1. When the order is received into the IT system, TMS Brokers checks the correctness of the best price by verifying whether the best prices of two independent sources of quotation providers do not differ from each other by more than the Quotes Tolerance parameter (concerning the wrong price) given in the Financial Instruments Specification. This check is carried out without undue delay;

6.1.1.2. In the case of orders for instruments in which the target spread has been determined, an additional verification is carried out, comparing the prices quoted by TMS Brokers with the prices obtained from the Quotation Source;

6.1.1.3. As a result of the above checks, the transaction may be executed, requoted or rejected.

6.1.1.4. Orders are also requoted or rejected in situations where there is a reasonable suspicion that the sources of quotations may contain outdated prices.

6.1.2. Manual mode of executing orders:

6.1.2.1. The manual mode of order execution consists in the fact that the order is received in the IT system handled manually by TMS Brokers

6.1.2.2. As part of the trade supervision TMS Brokers verifies the correctness of the transaction price, as a result of which the order may be executed or rejected or requoted.

6.1.2.3. The manual mode of order execution involves the risk of a longer execution time or rejection time or re-quote time than order carried out in automatic mode, however not longer than the time specified in clause 5.15.

6.1.3. **Market** orders that the Company implements in the mode referred to in clause 3.1.2. are based on prices from the Liquidity Provider. TMS Brokers verifies from time to time the quality of pricing and execution of individual Liquidity Providers.

6.1.4. The price level specified in the limit order or stop order is only the level which activates the order. The order after its activation goes into the **market** execution mode. This means that the order can be executed at a better, worse or same price as the price specified in the order.

6.1.5. Orders in the TMS Trader, TMS Connect, TMS Prime and TMS Markets system are not executed partially (so-called "partial execution"). The order is executed in full or not at all ("fill or kill").

6.1.6. A stop-out order is a special type of order, the activation of which is carried out on the basis of the rules set out in the specified in the terms and conditions of the provision of the service and is carried out at the price available to the Client in the transaction system without taking into account the market depth.

6.2. TMS Direct transaction system – Client orders in the TMS Direct system are executed in accordance with the principles set out in the "Saxo Bank Order Execution Policy". The Client may read this document at https://www.home.saxo/pl-pl/legal/general-business-terms/saxo-general-business-terms. At the Client's request, TMS Brokers will provide the Client with a Polish translation of the above-mentioned document. This translation is only auxiliary, and the language version indicated in the above-mentioned website is binding.

7. Quotations of prices of financial instruments

7.1. Creation of quotations for TMS Connect and TMS Markets service

7.1.1.   Prices (bid and ask) reflecting buy and sell offers for transactions come from Quotation Sources (full catalogue of Quotation Sources is disclosed in the Regulation of the President of the Management Board available at www.tms.pl/dokumenty), and might be increased by a mark-up, if any (specified in the Table of Fees and Commissions).

7.1.2.   Spread cannot be negative.

7.1.3.   If the model referred to in clause 3.1.2 is used, the Quotation Source is the Liquidity Provider or Quotation Source.

7.2. Creation of quotations for TMS Trader service

7.2.1.   The prices (bid and ask) reflecting buy and sell offers for transactions come from Quotation Sources (full catalogue of Quotation Sources is disclosed in the Regulation of the President of the Management Board available at www.tms.pl/dokumenty), subject to the provisions of clauses 7.2.2-7.2.6.

7.2.2.   If the model referred to in clause 3.1.2 is used, the Quotation Source is the Liquidity Provider or Quotation Source .

7.2.3.   To determine the final price, the average (mid) price is calculated from the bid and ask quotations and the mark-up (determined as the target spread indicated in the financial instruments specification) is added.

7.2.4.   Spread cannot be negative.

7.2.5.   In situations described as an Extraordinary Change in Relations or Exceptional Circumstances within the meaning of the Terms and Conditions of the provision of a specific service, the spread may significantly exceed the value of the target spread indicated in the Financial Instruments Specification.

7.2.6.   The prices (bid and ask) reflecting buy and sell offers for CFD's based on equities, ETF and cryptocurrencies come from Quotation Sources (full catalogue of Quotation Sources is disclosed in the Regulation of the President of the Management Board available at www.tms.pl/dokumenty), and are increased by a mark-up, if any (specified in the Table of Fees and Commissions).

7.3. Prices in the TMS Direct transaction system are created by adding the mark-up in the form of a spread to quotations received from Saxo Bank A/S for CFDs and forwards. In the case of futures and exchange-traded options the price is equivalent to the price received by TMS Brokers from Saxo Bank A/S with no additional mark-up.

7.4. TMS Prime offer variant contains financial instruments available in the abovementioned offers of TMS Trader and TMS Connect. Quotations of these instruments are based on the rules referred to in 7.1 and 7.2.

8. Verification and monitoring of best execution

8.1. TMS Brokers regularly monitors and verifies the compliance with the provisions of this Policy in order to ensure the best execution of orders for Clients.

8.2. The above duty is fulfilled in particular through:

8.2.1.   Price verification on an ex-ante basis — prices available on the platform when the order sent by the Client is entered into the transaction system TMS Brokers are compared with prices from other Quotation Sources/Reference Entities before the order is executed in order to make sure that the quotations delivered to Clients are not significantly deviated and constitute market prices. The detailed method of the above verification is presented in Chapter 6 of this Policy;

8.2.2.   Ex-post price verification — TMS Brokers verifies periodically the quality of executed orders in order to identify the vulnerabilities of order execution processes and low quality of

Quotation Sources. As a consequence of this verification, the Quotation Source may be changed. The above is implemented in particular by:

8.2.2.1. comparing transaction prices with prices from other Quotation Sources/Reference Entities (Benchmarks),

8.2.2.2. verifying statistics regarding rejections and requotations,

8.2.2.3. verifying realised deviations of transaction prices from prices available on the platform at the time of order execution,

8.2.2.4. monitoring complaints about the quality of order execution.

8.2.3. In the case of TMS Direct system, the verification takes the form of an analysis of the statistics and reports published by Saxo Bank A/S concerning the execution of orders and through the actions set out in clause 8.2.2.1.

8.3. Benchmarks for the purpose of assessing the quality of order execution are:

8.3.1. For transactions in CFD instruments, for which the underlying is an instrument listed in organised trading — prices (offers to buy and sell) of underlying instruments on the market specified in the financial instruments specification,

8.3.2. For transactions based on market spreads (fixed or floating) on not listed underlying instruments — transaction prices will be compared with the quotations received from entities other than the Quotation Source which is used for quoting the given financial instrument,

8.4. In addition, once a year, the processes specified in this Policy as well as the Policy itself are subject to independent review in terms of their effectiveness as part of internal control, compliance control or internal audit. TMS Brokers may also order external audits in this area. Such a review shall also be carried out whenever a material change occurs that affects the investment firm's ability to continue to obtain the best possible result for Clients during the execution of Client orders on a consistent basis with regard to the services covered by the Policy.

8.5. Having regard to the special role of information technologies for the processes set out in this Policy, TMS Brokers implemented processes for the management of operational risk, including the risk related to IT systems, as well as business continuity processes. The efficiency of the IT systems used (in particular transaction platforms) is monitored on a regular basis, and if potential weaknesses are identified, TMS Brokers takes the necessary steps to ensure the continuity and high quality of services provided with the use of these systems.

8.6. TMS Brokers publishes periodic reports on the quality of transaction execution, in accordance with the principles set out in Regulation 2017/575, concerning financial instruments that are not subject to the trading obligation referred to in Articles 23 and 28 of Regulation 600/2014 and for which TMS Brokers is the execution venue. Periodic reports are published on the TMS Brokers website (at www.tms.pl/dokumenty).

8.7. In relation to orders executed under the model referred to in clause 3.1.3. — TMS Brokers publishes annual reports containing a list of the top five execution venues in terms of trading volumes in which TMS Brokers executed Client orders in the preceding year and the information on the quality of execution obtained, on the principles set out in Regulation 2017/576. Annual reports are published on the TMS Brokers website.

8.8. Clients has the right to submit TMS Brokers requests for information on the manner of execution of orders and rules for reviewing the manner of order execution TMS Brokers provides information in accordance with the article 66.8 of Regulation 2017/565.

9. Derogations and warnings

9.1. TMS Brokers makes all reasonable efforts to adhere to the principles concerned when executing Client orders subject to the provisions of this Chapter.

9.2. Specific instructions of the Client specifying the specific terms of order execution may prevent TMS Brokers from taking the steps described in this Policy that it has designed and implemented

as part of the Policy to obtain the best possible result in the execution of such order in respect of the elements covered by those instructions. The rules applicable in some markets may prevent TMS Brokers from applying certain instructions of the Client.

9.3. TMS Brokers may not be able to comply with the principles arising from this Policy in the event of an Extraordinary Change in Relations or Exceptional Circumstances within the meaning of the Terms and Conditions of the provision of a given service or in other cases specified in this Policy or the Terms and Conditions of the provision of a given service.

9.4. The Client acknowledges that submission of an order does not guarantee its execution.

9.5. In the cases specified in Chapter 3, in order to execute the Client's order, TMS Brokers concludes transactions directly with the Client, i.e. it becomes the other party to the concluded transaction. This transaction is a potential source of conflict of interest. A conflict of interest occurs when the Client opens a position that is the opposite of the TMS Brokers position, thus the Client's loss on this transaction is the profit of TMS Brokers.

9.6. Detailed information on the basic rules followed by TMS Brokers in the event of a conflict of interest, including receiving and giving inducements, is available on the at www.tms.pl/dokumenty website in the document entitled "Rules of management of conflicts of interest".

9.7. The rules set out in the Policy present an approach to the collective execution of orders. Thus, the Policy does not define how each order is or will be handled separately.

9.8. Execution of orders and transactions through electronic systems is subject to the risk of errors or delays in the execution of transactions or transmission of data. Factors contributing to errors and delays are described in the Description of Financial Instruments and Risks.

10. Final provisions

10.1. TMS Brokers is entitled to amend the Policy, on the principles specified in the Terms and Conditions of the provision of a specific service.

10.2. TMS Brokers publishes the content of the Policy and amendments hereto by notifying the Client by e-mail or a message in the transaction system of the fact of determining the new text of the Policy and the location on the website where the Client can read the Policy.

10.3. It is understood that the Client agrees to the content of the Policy upon submission of an order by the Client during the term of the Policy, following a delivery of the document content to the Client.

10.4. Amendments to the Best Execution Policy shall be introduced by a Resolution of the Management Board of TMS Brokers.

10.5. This Policy is an integral part of the agreement for the execution of orders and should be read and interpreted in conjunction with the agreement for the execution of orders and terms and conditions of the provision of services.

10.6. The Policy applies to retail Clients as well as to professional Clients. The Policy does not apply to eligible counterparties.

10.7. The Policy has been in force since January 25, 2021.

Supplement No. 1

Quotation sources, including a list of liquidity providers, list of reference entities and execution venues:

Type of instrument	Quotation source including the list of liquidity providers	List of reference entities
for variant offers TMS Trader, TMS Connect, TMS Prime and TMS Markets		
CFD based on currency pairs and GOLD.pro, GOLD.std, GOLD, SILVER.pro, SILVER.std, SILVER, XAUUSD, XAGUSD, XAUUSD.stp, XAGUSD.stp	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), X-Trade Brokers DM S.A., LMAX Global, Bloomberg L.P.,	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), X-Trade Brokers DM S.A., LMAX Global, Bloomberg L.P.,
CFD based on indices (except EU50.pro, EU50.std, JP225.pro, JP225.std, JP.225, AU200.pro, AU200.std, ES35.pro, ES35.std, ES.35, FR40.pro, FR40.std, FR.40)	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), Bloomberg L.P.,	Bloomberg L.P.
CFD based on indices PL20.pro, PL20.std, PL.20 and GB100.pro, GB100.std, UK.100	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH),., X-Trade Brokers DM S.A., Bloomberg L.P.	Bloomberg L.P.
CFD based on commodities (except COTTON.pro, COTTON.std, SUGAR.pro, SUGAR.std COFFEE.pro, COFFEE.std , COCOA.pro, COCOA.std OILWTI.pro, OILWTI.std, OIl.WTI)	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), Bloomberg L.P.	Bloomberg L.P.
CFD based on indices (COTTON.pro, COTTON.std, SUGAR.pro, SUGAR.std COFFEE.pro, COFFEE.std , COCOA.pro, COCOA.std OILWTI.pro, OILWTI.std, OIl.WTI)	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH),., X-Trade Brokers DM S.A., Bloomberg L.P.	Bloomberg L.P.
CFD based on prices of bonds	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH),, Bloomberg L.P.	Bloomberg L.P.
CFD based on American shares	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), Bloomberg L.P.	Bloomberg L.P.
CFD based on German shares	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), Bloomberg L.P.	Bloomberg L.P.
CFD based in Spanish shares	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), Bloomberg L.P.	Bloomberg L.P.
CFD based on British shares	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), Bloomberg L.P.	Bloomberg L.P.
CFD based on shares from WSE (GPW)	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH), X-Trade Brokers DM S.A., Bloomberg L.P., Interactive Brokers (UK) Ltd.	Bloomberg L.P.
CFD based on ETF	Saxo Bank A/S, IG (Markets Ltd., Europe GmbH),, Bloomberg L.P.	Bloomberg L.P.
CFD based on cryptocurrencies (based on futures contracts)	Bloomberg L.P.	Bloomberg L.P.
CFD based on cryptocurrencies	LMAX Global	LMAX Global, LMAX Digital

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EU50.pro, EU50.std, JP225.pro, JP225.std, JP.225, AU200.pro, AU200.std, ES35.pro, ES35.std, ES.35, FR40.pro, FR40.std, FR.40	LMAX Global	LMAX Global, LMAX Exchange
for variant offers TMS Direct and TMS MiniDirect		
Futures	Saxo Bank A/S	Bloomberg L.P.
Stock options	Saxo Bank A/S	Bloomberg L.P.
Others	Saxo Bank A/S	Saxo Bank A/S

The following regulated markets are the execution system for futures contracts:

American	European	Asian
COMEX	ICE-EUROPE	SGX
NYMEX	EEX	OSAKA
CME	EUREX	HKEK
CBOT	EURONEXT	TSE
CBOE	OMX NORDIC	SFE
MONTREAL	MEFF	
ICE-US	IDEM	

The following regulated markets are in the scope of stock options:

American	European	Asian
COMEX	ICE-EUROPE	SGX
NYMEX	EUREX	OSAKA
CME	EURONEXT	HKEK
CBOT	MEFF	ASK
CBOE	OSLO BORS	
OCC	IDEM	
ICE-US	OMX	

Relevant detailed information is contained in the following documents:
- Futures Contract Specifications
- Contract Option Specifications

which can be found at https://www.home.saxo/pl-pl/legal/general-business-terms/saxo-general-business-terms

Orders for the TMS Direct service related to exchange traded instruments are executed with the mediation of Saxo Bank A/S with its registered office in the Kingdom of Denmark which holds the banking licence number 1149 and is regulated by Finanstilsynet: https://www.finanstilsynet.dk/en.

The list of reference entities, quotation sources, including liquidity providers for the TMS Trader, TMS Connect, TMS Prime and TMS Markets services is not an exhaustive list and is subject to change depending on the market situation.