



Summary of the achieved execution quality according to Best Execution (quality report)

for the year 2018

This document includes for each category of financial instrument a summary of the evaluation and conclusions of the supervision of achieved execution quality for the relevant places of execution where client orders were executed in the previous year.

I. Explanation of the relative meaning of the execution factors

When selecting a stock market, the bank takes into consideration the nature of the client order, the characteristics of the client or the financial instrument as well as the following criteria:

High weighting:

Price of the financial instrument
Costs of the order execution
Scope of the order

Medium weighting:

Speed and likelihood of the execution

Low weighting:

Settlement and clearing probability

II. Description of possible connections, ownerships, and conflicts of interest as regards the relevant places of execution.

There are no close connections, ownerships or conflicts of interest with any of the stock markets where orders are executed.

III. Description of special agreements with the relevant stock markets as regards received payments or discounts:

M.M. Warburg & CO receives no discounts, markdowns or any other monetary or non-monetary services from the stock markets or their operating companies.

IV. Description of critical changes in the weighting of the evaluation factors as regards execution on the stock markets:

In the year 2018, there were no changes to the criteria or their weighting.

V. Description of the extent to which order execution differs according to client ranking and client category:

At M.M.Warburg & CO, the execution of client orders takes place according to the following principles:

The principles apply equally to the execution of orders for investment clients and professional clients.

When choosing a stock market, the bank assumes that the client's priority – taking all the costs associated with the execution business into account - is to achieve the best possible price.

As securities are generally subject to price fluctuations and therefore disadvantageous price developments for the client cannot be ruled out in the time after the order has been placed, primary consideration is given to those places of execution where a complete execution is likely to be possible in a timely manner.

VI. Description of any criteria, other than price and costs, prioritised in the execution of orders from private clients:

For private clients, the total costs that arise are decisive. The client can, however, issue direction to the bank as to where (which place of execution) the order should be executed. Such directions take precedence over our recommendations/principles.

VII. Description of how data and tools were used by M.M Warburg & CO to examine the quality of execution:

To examine the places of execution, freely accessible market and stock market data is used.

Besides the annual review of the execution principles, the bank examines and publishes a Top-5 Report of the most important trading venues based on trading volume. This report is based on the executed client orders of the prior year and, furthermore, is differentiated according to client group and asset class.