Appendix No. **14**
to the Client Service Regulations
Approved by Order No. 01-28
of the Director of **Rioni Capital LLC**
________________________ Badri Gobechia
dated *11 December* **202**5

Brokerage Company "Rioni Capital"

POLICY

on Best Execution of Client Orders

TBILISI
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TABLE OF CONTENTS

CHAPTER I. GENERAL PROVISIONS

1. Purpose and Scope of the Policy

1.1. This Policy establishes the standards, procedures and criteria on the basis of which **Rioni Capital LLC** (hereinafter – the **"Broker"**) ensures the best possible execution (Best Execution) of Client orders when providing brokerage services.

1.2. The Policy has been developed in accordance with the following acts:

- the Law of Georgia **"On the Securities Market"**;
- normative acts of the National Bank of Georgia (NBG) regulating brokerage activities and risk management;
- principles of international best execution practices (including MiFID II / MiFIR approaches), adapted to Georgian regulation;
- the Broker's internal documents, including the Brokerage Services Regulations (hereinafter – the **Regulations**) and the Conflict of Interest Management Policy.

1.3. The Policy applies to all types of Client orders, including:

- on regulated markets and with other trading organizers;
- on the over-the-counter (OTC) market;
- through upper-tier brokers;
- through internalization — only in cases provided for by the internalization rules and in compliance with the Best Execution principle.

2. Scope of Application

2.1. The Policy applies to execution of orders of all Clients of the Broker, except for Clients who have explicitly indicated (via the Personal Account) that they require execution of orders strictly in accordance with their instructions only (Execution Only / Strict Instruction).

2.2. The Policy applies to the following categories of financial instruments:

- shares and depositary receipts;
- bonds and eurobonds;
- other securities traded with trading organizers (ETF / ETN);
- exchange-traded commodities;
- derivative financial instruments;
- operations related to foreign currency (conversion);
- other financial instruments, if their execution is permitted by NBG requirements and the Broker's internal procedures.

2.3. The Policy does not apply to:

- investment advisory services;
- orders executed strictly in accordance with the Client's direct instructions;
- corporate actions over which the Broker has no influence.

3. Objective of Best Execution

3.1. Best execution of a Client order (Best Execution) means achieving the best possible result for the Client, taking into account a combination of the following criteria:

- execution price;
- total execution cost;
- speed of execution;
- likelihood of execution and settlement;

- volume and size of the transaction;
- type of transaction;
- other relevant factors in accordance with the requirements of the NBG and MiFID II.

3.2. When applying the Best Execution principle, the Broker uses a differentiated approach:
- for retail clients, the primary criterion is the total execution cost;
- for professional clients and informed investors, prioritization of factors may differ depending on the nature of the order and the trading strategy.

4. Broker's Obligations

4.1. The Broker takes all reasonable measures to ensure the best possible execution of Client orders, including, but not limited to:
- selection of reliable upper-tier brokers;
- selection of an appropriate trading organizer or liquidity source;
- monitoring of market conditions;
- prevention of conflicts of interest.

4.2. The Broker does not guarantee achievement of the best price in every individual case; however, it undertakes to act in good faith and professionally in order to achieve the best possible result under the prevailing market conditions.

5. Relationship with Other Documents

5.1. This Policy constitutes part of the Broker's system of regulatory documents and shall apply in conjunction with the following documents:
- the Regulations (Appendix No. 1 to the Agreement);
- the Conflict of Interest Management Policy;
- the Client Categorization Policy;
- the Internalization Rules;
- other appendices to the Regulations governing execution of Client orders.

5.2. In the event of any inconsistency in matters related to best execution of orders, priority shall be given to this Policy.

6. Disclosure of Information to the Client

6.1. The Broker informs Clients about the principles of best execution applied within the Company through the Regulations and its appendices, as well as through this Policy.

6.2. By concluding the Agreement and acceding to the Regulations, the Client confirms that:
- the Client has familiarized itself with this Policy;
- the Client understands the procedure and specific features of order execution;
- the Client agrees to execution of orders in accordance therewith.

CHAPTER II. TRADING VENUES, OTHER LIQUIDITY SOURCES AND UPPER-TIER BROKERS

1. General Provisions

1.1. In the event that the Broker is not a direct participant of a trading venue and/or does not have access to other liquidity sources, execution of Client orders shall be carried out through upper-tier brokers.

1.2. The Broker ensures that execution of Client orders through upper-tier brokers is carried out in accordance with the principles of best execution and in compliance with the requirements of the legislation of Georgia and the normative acts of the National Bank of Georgia (NBG).

1.3. When selecting upper-tier brokers, the Broker is guided by a combination of the following criteria:
- availability of a valid license and supervision by a competent regulator;
- compliance with the requirements of the legislation of Georgia and the normative acts of the NBG;
- access to markets and instruments demanded by the Broker's Clients;
- ability to ensure execution of orders in accordance with the principles of Best Execution;
- reliability and resilience of technological infrastructure;
- quality and completeness of reporting on executed transactions.

1.4. The Broker periodically (at least once a year) carries out an assessment of the effectiveness of upper-tier brokers.

2. List of Trading Venues and Other Liquidity Sources

2.1. The Broker discloses to Clients (on the Broker's website and in the Personal Account) the list of trading venues and other liquidity sources used for execution of orders. Such list includes:
- regulated markets — licensed exchange platforms;
- multilateral trading facilities (MTF);
- organized trading facilities (OTF) — mainly for debt instruments;
- over-the-counter (OTC) market — provided that it allows compliance with the best execution principle;
- internalization — only within a strictly limited scope and subject to confirmation of a better result for the Client.

2.2. The list of trading venues and liquidity sources used shall be published for Clients on the Broker's official website and/or in the Client's Personal Account and may be updated in accordance with changes in infrastructure, access to upper-tier brokers or regulatory requirements.

3. Criteria for Selection of Trading Venues and Other Liquidity Sources

The Broker selects the place of execution of a Client order taking into account a combination of the following factors:

3.1. Price
- availability of best bid/offer quotes;
- market depth;
- possibility of obtaining a fair price under conditions of low liquidity.

3.2. Total Execution Cost
- exchange fees and clearing commissions;
- commissions of the upper-tier broker;
- other operational costs affecting the final result.

3.3. Speed of Execution
- order routing time;
- order execution confirmation time;
- technical latency of communication channels.

3.4. Likelihood of Execution and Settlement

- liquidity available at the selected trading venue or other liquidity source;
- stability of infrastructure;
- likelihood of partial execution.

3.5. Transaction Volume
- ability of the trading venue / other liquidity source to execute a large-volume transaction without significant market impact;
- availability of additional liquidity instruments (if provided by the upper-tier broker).

3.6. Instrument Specifics
- for bonds — predominantly the OTC market, in certain cases OTF;
- for shares — regulated exchanges, in certain cases ECN/ATS;
- for futures and options — regulated exchanges.

4. Use of Internalization

The Broker permits internalization of Client orders within a limited scope and only if it contributes to compliance with the best execution principle.

4.1. Internalization is permitted only if all conditions described in the internalization rules (Appendix No. 23 to the Regulations) are met.

4.2. The best execution principle shall always prevail over the Broker's interest in internalization.

5. Role of the Upper-Tier Broker

5.1. The upper-tier broker is obliged to:
- ensure execution of orders in accordance with international best execution standards;
- provide the Broker with reporting on each executed transaction;
- ensure proper routing of orders.

5.2. The Broker exercises control over the quality of execution of orders by upper-tier brokers and records the results of such control within the framework of its internal control and risk management system.

6. Changes to the List of Trading Venues, Other Liquidity Sources and Upper-Tier Brokers

6.1. The Broker has the right to change the list of trading venues, liquidity sources and upper-tier brokers without the Client's prior consent, if such changes:
- are aimed at improving the conditions of order execution;
- are driven by regulatory requirements;
- are related to changes in market or technological infrastructure.

6.2. The updated list shall be published on the Broker's website and in the Personal Account.

CHAPTER III. ORDER EXECUTION FACTORS AND THE PROCEDURE FOR THEIR PRIORITIZATION

1. General Provisions

1.1. The Broker executes Client orders based on the principle of achieving the best result, which is determined by a combination of execution factors.

1.2. Execution factors are applied in an integrated manner and are not considered in isolation, as the impact of each factor is assessed in the context of a specific order, market conditions and the Client's category.

1.3. When determining execution conditions, the Broker takes into account:
- the Client's category;
- the characteristics of the financial instrument;
- the characteristics of the order;
- the characteristics of the trading venue or other liquidity source;
- market conditions prevailing at the time of execution;
- infrastructural and regulatory constraints.

2. Main Execution Factors

When determining execution conditions, the Broker takes into account the following factors:

2.1. Price
The primary factor for most instruments.
The Broker ensures:
- comparison of prices across available trading venues and liquidity sources;
- control of price fairness, including for over-the-counter (OTC) transactions;
- selection of the best available price, taking into account other execution factors.

2.2. Total Execution Cost
Total execution cost includes:
- exchange and clearing fees;
- commissions of the upper-tier broker;
- the Broker's commission;
- the potential impact of slippage.

Price and total execution cost are considered as a single integrated factor.

2.3. Probability of Execution
When assessing the probability of execution, the following are taken into account:
- liquidity of the instrument;
- market depth;
- availability of opposing demand / supply;
- the possibility of executing the full order volume without significant market impact.

2.4. Probability of Settlement
The Broker takes into account:
- reliability of clearing and settlement infrastructure;
- counterparty risk (including for OTC transactions);
- market and regulatory restrictions.

2.5. Speed of Execution
Speed of execution is of particular importance, including for:
- market orders;
- transactions executed under conditions of increased volatility;
- margin transactions and forced position closures;
- active trading strategies.

2.6. Transaction Volume and Its Nature
Large or specific orders may require:

- splitting the order into parts;
- use of alternative liquidity sources;
- involvement of OTC counterparties;
- use of algorithmic execution methods, if available through upper-tier brokers.

2.7. Type of Client Order

The type of order affects the priority of execution factors:

- for market orders, speed is more important;
- for limit orders, price is more important;
- for stop orders, activation conditions are essential;
- specific Client instructions may limit the application of the Best Execution principle.

3. Prioritization of Execution Factors

The priority of factors is determined by the Client’s category, instrument characteristics and order type (market, limit, stop order, etc.).

3.1. Retail Clients

For retail Clients, the main priority is:

Price + Total Execution Cost

3.2. Professional Clients and Informed Investors

For this category of Clients, the prioritization of factors may change depending on the nature of the trading strategy, including:

- priority of speed of execution;
- priority of execution probability for large transactions;
- priority of fair price and probability of settlement for OTC transactions.

Such preferences are recorded in the Client’s documentation in accordance with the procedure established by the Regulations.

3.3. Client’s Special Instructions

If the Client has given direct instructions, including:

- selection of a specific place of execution;
- strict adherence to a limit price;
- selection of a specific counterparty;
- prohibition of partial execution,

the Broker is obliged to comply with such instructions.

In such cases, the Best Execution principle applies only to the extent to which the Broker retains freedom of choice.

3.4. Different Priorities for Different Asset Classes

Instrument Class	Primary Priority	Additional Factors
Shares / ETF	Price + total cost	Speed, liquidity
Bonds	Fair price	Probability of settlement
Currency	Price + speed	Counterparty risk
Derivatives	Price	Probability of execution, margin requirements
OTC transactions	Fair price	Counterparty risk

4. Factors Not Considered in Best Execution

When ensuring best execution, the Broker does not take into account:

- the Broker's own profit or commercial interest;
- agreements with counterparties that worsen execution conditions;
- remuneration from third parties not directly related to order execution;
- the Broker's internal operational costs that do not affect the execution outcome for the Client.

5. Limitations Related to the Trading Venue or Other Liquidity Source

When selecting the place of execution, the Broker takes into account:

- possible technical limitations;
- the fact or probability of trading suspension;
- price corridor restrictions;
- quality of liquidity.

If the primary trading platform is unavailable, the Broker has the right to use an alternative liquidity source, provided that this allows improvement of the final execution result of the order.

6. Documentation of Factor Selection

6.1. For each order, the Broker records:

- the selected place of execution or counterparty (for OTC transactions);
- the key factors influencing the selection;
- the grounds for using the OTC market or internalization.

6.2. Such information is retained for at least 5 years in accordance with the requirements of the NBG and applicable international practice.

CHAPTER IV. APPLICATION OF BEST EXECUTION TO DIFFERENT ASSET CLASSES

This Chapter defines the specific features of applying the Best Execution principles to different classes of financial instruments, taking into account their market structure, liquidity, pricing mechanisms and execution infrastructure.

1. Shares, Depositary Receipts and ETFs

1.1. Market Characteristics

These instruments are generally traded on organized trading platforms and may be traded simultaneously on several markets with different levels of liquidity.

1.2. Primary Best Execution Priority — Price and Total Execution Cost

- execution is carried out primarily through trading venues and/or upper-tier brokers;
- limit orders may be executed partially or may not be executed at all;
- market orders are subject to slippage risk;
- internalization is permitted only in the absence of conflicts of interest and at a price not worse than the best available market price.

2. Bonds and Debt Instruments

2.1. Market Characteristics

The bond market is predominantly over-the-counter (OTC), with limited transparency and heterogeneous liquidity.

2.2. Primary Best Execution Priority — Fair Market Value and Probability of Settlement

2.3. Execution Specifics

- the Broker compares available quotations and market indicators;
- the source of the price and the justification for the selection of the counterparty are subject to documentation;

Internalization is permitted only subject to compliance with the Best Execution principle, the absence of conflicts of interest, and provided that it is documented that the execution result for the Client is not worse than when using alternative liquidity sources.

3. Foreign Exchange Operations (FX Spot, FX Conversion)

3.1. Market Characteristics

The foreign exchange market is over-the-counter, characterized by high volatility and frequent updates of quotations.

3.2. Primary Best Execution Priority — Price and Speed of Execution

3.3. Execution Specifics

- exchange rates may change significantly over short periods of time;
- operations are carried out in compliance with the foreign exchange regulation of Georgia;
- internal conversion is permitted only at a fair market price and subject to documented justification of benefit to the Client.

4. Exchange-Traded Derivatives

4.1. Market Characteristics

A standardized, exchange-traded market with centralized clearing and strict margin requirements.

4.2. Primary Best Execution Priority — Price and Probability of Execution

4.3. Execution Specifics

- transactions are concluded under standard contracts without the possibility of partial execution;
- internalization is generally not applied due to the exchange-based and centralized structure of the market; however, it is permitted provided that there is no conflict of interest and the Best Execution principle is observed;

Under conditions of low liquidity, significant price deviations between order submission and execution may occur.

5. Margin Trading

5.1. Specifics of Applying Best Execution

Best Execution principles are applied taking into account the additional risks associated with margin financing.

5.2. Additional Factors

- cost of margin financing;
- risk of margin calls and forced position liquidation;
- accelerated execution in risk-mitigation scenarios.

6. Securities Lending / Borrowing Transactions

6.1. Applicability of Best Execution

Best Execution principles apply when selecting the counterparty, loan terms and remuneration rate.

6.2. Key Factors

- lending rate;
- availability and liquidity of the asset;
- buy-in risk;
- schedule of corporate actions.

7. Short Selling Transactions

7.1. Priority Factors

1. cost of borrowing and borrow / locate conditions;
2. execution price of the short transaction;
3. availability of borrow and buy-in risks.

7.2. Specifics
Execution of short transactions depends on the availability of the instrument in the securities lending system and may be restricted by market and regulatory factors related to lending.

8. OTC Transactions and Fair Price Formation (OTC Fair Pricing)

8.1. Market Specifics
OTC transactions are concluded outside organized trading platforms without a centralized order book.

8.2. Primary Priority — Fair Market Price and Probability of Settlement

8.3. Execution Specifics

- where possible, quotations from multiple counterparties are compared;
- sources of market data and justification for the selection of the counterparty are recorded;
- information is documented for subsequent Best Execution monitoring.

9. Algorithmic Execution (If Used via a Prime Broker)

9.1. General Provisions
The use of execution algorithms is permitted provided that their compliance with the objectives of the order and the Best Execution principles is monitored.

9.2. Specifics
The use of algorithms does not release the Broker from the obligation to achieve the best possible result for the Client.

CHAPTER V. TRADING VENUES AND THE PROCEDURE FOR THEIR SELECTION

1. General Provisions

1.1. This Chapter defines the categories of trading venues and other sources of liquidity used by the Broker for the execution of Clients' orders, as well as the general procedure for their selection in order to ensure the best possible result (Best Execution) when executing Clients' orders.

1.2. The specific Best Execution factors and the procedure for their prioritization are described in Chapter III of this Policy.
This Chapter establishes the architecture for selecting the place of execution of Clients' orders.

2. Categories of Trading Venues and Liquidity Sources

2.1. The Broker may route Clients' orders to the following types of trading venues:

- Regulated Markets;

- Multilateral Trading Facilities (MTF);
- Organised Trading Facilities (OTF);
- Over-the-Counter market (OTC);
- Internalisation of Clients' orders — in accordance with the procedures and conditions established by the Internalisation Rules (Appendix No. 23 to the Regulations).

2.2. The use of each of the above categories is permitted solely provided that the principle of Best Execution of Clients' orders is observed.

3. General Principle for Selecting the Place of Execution

3.1. The Broker selects the place of execution of a Client's order based on the combination of Best Execution factors set out in Chapter III of this Policy, with the objective of achieving the best possible result for the Client.

3.2. No single factor (including price, speed, or liquidity) is applied in isolation, except where the prioritisation of a specific factor is determined by:
- the type of order;
- the Client's category;
- the Client's explicit instructions.

4. Internalisation of Orders

4.1. The Broker is entitled to apply internalisation of Clients' orders only to a limited extent and only where such internalisation contributes to compliance with the Best Execution principle.

4.2. The full procedure, conditions, and limitations for internalisation are set out in the Internalisation Rules (Appendix No. 23 to the Regulations).

4.3. The principle of Best Execution of Clients' orders prevails over any economic or operational interest of the Broker.

5. Role of the Upper-Tier Broker

5.1. Where Clients' orders are executed through an upper-tier broker, the Broker ensures the selection of such counterparty taking into account the following factors:
- reliability and regulatory status;
- quality of execution;
- access to markets and financial instruments;
- transparency of reporting on executed transactions.

5.2. The Broker conducts regular monitoring of the quality of execution of Clients' orders by upper-tier brokers and reviews the relevant relationships at least once per year or in the event of material changes.

6. List of Trading Venues and Its Updating

6.1. The Broker discloses to Clients the current list of trading venues, other liquidity sources, and upper-tier brokers via:
- the Broker's website;
- the Client's Personal Account.

6.2. The Broker is entitled to amend the list of trading venues without obtaining prior consent from the Client, provided that such changes:
- improve the conditions for order execution;
- are driven by regulatory requirements;
- are related to changes in market or technological infrastructure.

7. Client Notification

7.1. Information on changes made to the list of trading venues is provided to Clients by publication on the Broker's website and/or via the Client's Personal Account.

7.2. Such changes do not require the execution of additional agreements, unless otherwise stipulated by the Regulations or the legislation of Georgia.

8. Broker's Responsibility

The Broker is responsible for:

- the correct selection of the place of execution of orders;
- compliance with the Best Execution principles;
- documentation of the selection factors;
- supervision of the activities of upper-tier brokers within the scope of its authority.

CHAPTER VI. METHODS AND MODELS FOR EXECUTING CLIENTS' ORDERS

1. General Provisions

1.1. This Chapter defines the principal methods and models for executing Clients' orders applied by Rioni Capital in order to ensure the best possible execution result (Best Execution), in accordance with this Policy, the Regulations, and the requirements of the National Bank of Georgia (NBG).

1.2. The selection of a specific execution method is carried out by the Broker taking into account the Best Execution factors defined in Chapter III of this Policy, the characteristics of the Client's order, the financial instrument, market conditions, and the available execution infrastructure.

1.3. The Broker applies only those execution models that are objectively aimed at protecting the Client's interests and do not result in a deterioration of the execution outcome compared to available alternatives.

2. Exchange Execution via an Upper-Tier Broker

2.1. The primary model for executing Clients' orders is the routing of orders to licensed upper-tier brokers that provide access to regulated markets, Multilateral Trading Facilities (MTF), Organised Trading Facilities (OTF), and other sources of liquidity.

2.2. Within this model:

- Clients' orders are transmitted to the upper-tier broker without modification of their terms;
- The selection of the specific place of execution is carried out by the upper-tier broker, unless the Client has provided specific instructions;
- Execution is performed in accordance with the Best Execution principles applicable in the relevant jurisdiction.

2.3. The Broker monitors the quality of execution of Clients' orders by the upper-tier broker, including analysis of prices, execution speed, probability of execution and settlement, and records the results of such monitoring.

3. Client's Direct Market Access to a Trading Venue

3.1. In cases where a Client is granted direct access to trading venues through the infrastructure of an upper-tier broker (DMA), orders are executed in accordance with the rules of the relevant trading venue.

3.2. The Broker:
- does not modify the terms of the Client's order;
- performs pre-trade and ongoing controls of risks, limits, and compliance with regulatory requirements;
- is entitled to refuse acceptance of an order in the event of violations of legislative requirements, trading venue rules, or internal risk limits.

3.3. Provision of DMA does not relieve the Broker of its obligation, within the scope of its available powers, to control compliance with the Best Execution principles.

4. Over-the-Counter (OTC) Execution

4.1. OTC execution is applied in cases where:
- the instrument has limited exchange liquidity;
- the market structure implies dealer-based pricing;
- execution of a large volume on an exchange could materially worsen the result for the Client.

4.2. When executing OTC transactions, the Broker ensures:
- determination of a Fair Market Value;
- comparison of available counterparties' quotations (where applicable);
- documentation of price sources and justification for the selection of the counterparty.

4.3. OTC transactions are entered into only provided that such transactions comply with the principle of Best Execution of Clients' orders.

5. Limited Internalisation and Matched-Principal Execution

5.1. In exceptional cases, the Broker may apply limited forms of internal execution, including:
- internal matching of opposing Clients' orders;
- matched-principal execution under strictly defined conditions.

5.2. The above execution methods are permitted only:
- in compliance with the Best Execution principle;
- in the absence of conflicts of interest or where such conflicts are neutralised;
- within the procedures and limits established by the Internalisation Rules (Appendix No. 23 to the Regulations).

5.3. The Broker does not carry out systematic internalisation and does not act as a market maker.

6. Forced Execution

6.1. The Broker is entitled to carry out forced execution of transactions without an additional order from the Client in cases предусмотренные by the Regulations, including:
- forced closing of margin positions;
- absence of borrow availability in short selling;
- buy-in operations;
- other cases aimed at minimising risks of the Client or the Broker.

6.2. Forced execution is carried out under prevailing market conditions, through available execution channels, and in the volume necessary to eliminate the relevant risk.

7. Documentation and Record-Keeping

7.1. For each Client order, the Broker records:
- the time of receipt and execution of the order;
- the selected execution method and place;
- the key factors that influenced the choice of the execution method;

- execution parameters and available market alternatives.

7.2. The above information is retained for at least five (5) years in accordance with NBG requirements and applicable international standards.

8. Restrictions and Prohibitions

The Broker shall not permit:

- the use of its own positions to the detriment of Clients' interests;
- receipt of hidden benefits at the expense of deterioration of execution conditions;
- influence on the choice of execution method for the purpose of obtaining commercial benefit for the Broker;
- execution of transactions that violate the Best Execution principles or the requirements of the NBG.

CHAPTER VII. MANAGEMENT OF CONFLICTS OF INTEREST WITHIN THE FRAMEWORK OF BEST EXECUTION

1. General Approach

1.1. Rioni Capital executes Clients' orders honestly, fairly, and professionally, taking all reasonable measures to ensure the best possible execution result (Best Execution).

1.2. The Broker acknowledges that, when selecting a trading platform, execution method, or counterparty, conflicts of interest may arise that could potentially affect the quality of execution of Clients' orders.

1.3. The management of such situations is carried out in accordance with the following regulatory and internal documents:

- the Law of Georgia "On the Securities Market";
- normative acts of the National Bank of Georgia (NBG);
- MiFID II (with respect to Best Execution and conflicts of interest);
- Commission Delegated Regulation (EU) 2017/565;
- Rioni Capital's Conflicts of Interest Management Policy (Appendix No. 25 to the Regulations).

2. Relationship Between Best Execution and Conflicts of Interest

2.1. The Broker implements measures aimed at eliminating the impact of conflicts of interest on the outcome of execution of a Client's order, including:

- prohibition of selecting a trading platform, counterparty, or execution method in the Broker's interests to the detriment of the Client;
- prohibition on receiving any remuneration or other inducements that could worsen execution conditions;
- restriction of the use of internalisation and matched-principal execution solely to cases where they objectively ensure an equal or better result for the Client;
- exclusion of the use of the Broker's own positions in a manner that reduces the quality of execution of Clients' orders.

2.2. Any deviation from the Best Execution principles in favor of the Broker's interests shall be regarded as a breach and shall be subject to remediation in accordance with procedures established by internal policies.

3. Situations with Increased Risk of Conflicts of Interest

3.1. An increased risk of conflicts of interest may arise, including but not limited to, the following cases:

- during over-the-counter (OTC) transactions, where the Broker participates in the selection of the counterparty and verification of price fairness;
- when using matched-principal execution or internal matching of Clients' orders;
- in cases of limited internalisation permitted only in accordance with the Internalisation Rules;
- when selecting an upper-tier broker, trading platform, or routing model;
- during margin transactions and forced closing of positions;
- during buy-in operations, settlement assurance, and securities lending transactions.

3.2. In the above cases, the Broker is obliged to act exclusively in the Client's interests, record the decisions taken, and apply control measures provided for by the Conflicts of Interest Management Policy.

4. Primary Document on Conflicts of Interest

4.1. The classification of conflicts of interest, procedures for their identification, prevention, disclosure, and documentation are regulated by Rioni Capital's Conflicts of Interest Management Policy (Appendix No. 25 to the Regulations).

4.2. This Best Execution Policy does not replace the above policy and is applied jointly with it insofar as it relates to ensuring the best execution of Clients' orders.

CHAPTER VIII. MONITORING, CONTROL AND ASSESSMENT OF THE QUALITY OF EXECUTION OF CLIENTS' ORDERS

1. General Provisions

1.1. Rioni Capital carries out regular and systematic monitoring of the quality of execution of Clients' orders in order to confirm compliance with the Best Execution principles.

1.2. Monitoring is performed in accordance with:
- the Law of Georgia "On the Securities Market";
- normative acts of the National Bank of Georgia (NBG);
- the principles of MiFID II (with respect to Best Execution);
- the Broker's internal documents.

1.3. Monitoring covers all methods of order execution, including:
- execution on organised trading platforms;
- execution through upper-tier brokers and OTC counterparties;
- internal execution and internalisation (if applied);
- all categories of financial instruments and orders.

2. Ongoing Monitoring of Execution

2.1. The Broker performs ongoing control of order execution, including automated monitoring and selective manual analysis.

2.2. Within the framework of ongoing monitoring, in particular, the following is assessed:
- compliance of the execution price with market quotations available at the time of execution;
- speed of order execution;
- correctness of the selection of the trading platform or counterparty;
- correctness of the order type and parameters.

2.3. Identified deviations are recorded and subject to analysis by the Compliance Department.

3. Periodic Control and Analysis

3.1. The Compliance Department performs periodic control of execution quality, including:
- analysis of execution prices compared to available market benchmarks;
- analysis of the total cost of execution;
- verification of the correctness of execution of large and non-standard orders;
- analysis of cases of internal execution and internalisation (if applied).

3.2. The results of such control are used to adjust execution models, routing procedures, and internal parameters.

4. Review of the Best Execution Policy

4.1. The Broker reviews this Policy at least once a year, as well as upon the occurrence of circumstances that affect execution quality, including:
- changes in NBG requirements;
- changes in the infrastructure of trading platforms or upper-tier brokers;
- emergence of new execution models;
- identification of systemic deviations or trading risks.

4.2. The results of the review are approved by the Broker's management.

5. Internal Execution Control (Internalisation Oversight)

5.1. In cases where internal execution or internalisation is used, the Broker ensures additional control, including:
- comparison of internal prices with the best available market quotations;
- documentation of the justification for using such execution methods;
- verification of the absence of deterioration of the result for the Client;
- compliance with the requirements of the Conflicts of Interest Management Policy and the Internalisation Rules.

5.2. Internal execution and internalisation are applied only if the Best Execution principle is observed.

6. Data Retention and Responsibility

6.1. The Broker retains data confirming order execution and compliance with the Best Execution principles, including order parameters, information on trading platforms, quotations, and control results, for at least 5 years or for a longer period if required by the NBG.

6.2. Responsibility for execution control is allocated as follows:
- the Compliance Officer — responsible for monitoring compliance with Best Execution principles;
- the Trading Unit — responsible for the practical implementation of execution principles;
- the Broker's management — approves the Policy and its revisions.

CHAPTER IX. PROCEDURE FOR THE SELECTION OF TRADING PLATFORMS AND COUNTERPARTIES

1. General Principles for the Selection of Trading Platforms

1.1. Rioni Capital selects trading platforms (execution venues) and counterparties for the execution of Clients' orders based on the principle of Best Execution, in accordance with the requirements of the legislation of Georgia, the normative acts of the National Bank of Georgia (NBG), and this Policy.

1.2. The selection of a trading platform and/or counterparty is carried out taking into account a combination of factors, including but not limited to:

- execution price and total cost;
- liquidity and market depth;
- probability and speed of execution;
- probability of settlement and reliability of the infrastructure;
- regulatory and legal status of the platform or counterparty;
- availability of access to the platform through the infrastructure of an upper-tier broker.

1.3. No single factor is considered in isolation. The final selection is made based on achieving the best possible result for the Client under the prevailing market conditions.

2. Categories of Trading Platforms and Access to Liquidity

2.1. For the purpose of executing Clients' orders, the Broker may use the following categories of trading platforms and liquidity sources:

- Regulated Markets;
- Multilateral Trading Facilities (MTF);
- Organised Trading Facilities (OTF);
- Over-the-counter market (OTC);
- routing through licensed upper-tier brokers (prime brokers).

2.2. The use of a specific trading platform or liquidity source category is determined by the characteristics of the financial instrument, the parameters of the Client's order, and the available execution infrastructure.

2.3. Over-the-counter (OTC) execution is used only provided that a fair market value is ensured, the choice of the counterparty is duly documented, and the Best Execution principles are observed.

2.4. Internalisation of Clients' orders is permitted only in accordance with the procedures and conditions established by the Internalisation Rules (Annex No. 23 to the Regulations) and may not be applied if it leads to a deterioration of the execution outcome for the Client.

3. Role of the Upper-Tier Broker

3.1. Where Clients' orders are executed through an upper-tier broker, such broker provides the Broker with access to trading platforms, liquidity sources, and execution infrastructure.

3.2. The use of an upper-tier broker does not release Rioni Capital from its responsibility to comply with the Best Execution principles towards the Client.

3.3. The Broker performs regular monitoring of the quality of execution of orders transmitted to the upper-tier broker, including analysis of prices, execution speed, routing, and total execution costs.

4. Procedure for the Selection and Control of Counterparties

4.1. Counterparties for the execution of Clients' orders are selected from among financial market participants that possess appropriate regulation, licensing, and operational resilience.

4.2. When selecting counterparties, the Broker takes into account:

- regulatory status and supervisory jurisdiction;
- financial stability;
- settlement and clearing infrastructure;
- sanctions-related, legal, and operational risks.

4.3. The use of counterparties is permitted only provided that their participation does not worsen the conditions for the execution of Clients' orders and complies with the Best Execution principles.

5. Updating and Reviewing the List of Trading Platforms and Counterparties

5.1. The Broker is entitled to change the list of used trading platforms and counterparties without the Client's prior consent, provided that such changes:

- are aimed at improving execution quality;
- are caused by changes in the market or infrastructure environment;
- are related to regulatory requirements or restrictions.

5.2. Up-to-date information on categories of trading platforms and applied execution models is communicated to Clients in accordance with the procedure established by the Regulations and this Policy.

6. Broker's Responsibility

Rioni Capital is responsible for:

- the correct selection of the trading platform and/or counterparty;
- compliance with the Best Execution principles;
- documentation of selection factors and execution conditions;
- control over the execution of Clients' orders, including transactions executed through third parties.

CHAPTER X. PUBLIC DISCLOSURE OF INFORMATION ON BEST EXECUTION

1. General Provisions

The Broker ensures transparency in the execution of Clients' orders and discloses material information on the principles and procedures for achieving the best possible result (Best Execution) in accordance with the following legislative and regulatory acts:

- the Law of Georgia "On the Securities Market";
- normative acts of the National Bank of Georgia (NBG);
- Best Execution principles established in international practice (including MiFID II approaches), to the extent permitted and applicable within the Georgian regulatory framework;
- this Policy and other documents of the Broker.

Information is disclosed to the extent sufficient for Clients to understand the principles of order execution, without disclosing the Broker's or its counterparties' internal commercial, technical, or confidential information.

2. Formats and Channels of Information Disclosure

The Broker discloses information related to Best Execution through the following means:

a. ***Broker's website***

The following information is published with open access on the Rioni Capital website:

- this Best Execution Policy;
- the list of trading platforms and counterparties;
- general information on possible methods of order execution, including OTC transactions and internalisation (if applied);
- information on the procedure for updating the Policy.

b. ***Client's personal account***

Through the Client's personal account, the Client is provided with:

- access to the current versions of the Regulations and its annexes, including this Policy;
- notifications on amendments to the Policy;
- other information предусмотренная by the Regulations and the terms of the agreement.

c. ***Individual disclosure at the Client's request***

Upon a substantiated request from the Client, the Broker provides explanations regarding the execution of a specific Client order within the following limits:

- data available to the Broker;
- information received from the upper-tier broker;
- applicable legal and contractual restrictions.

Such disclosure does not include information relating to other Clients, internal routing models, or counterparties' commercial terms.

3. Disclosure of Information on Trading Platforms and Counterparties

The Broker discloses to Clients:

- aggregated information on the categories of trading platforms and counterparties used for order execution;
- general criteria for their selection for the purpose of achieving Best Execution.

The current list of trading platforms and counterparties is published on the Broker's website and may be updated without the Client's prior consent in accordance with the procedure established by the Regulations.

4. Disclosure of Information on Internal Execution (Internalisation)

Where internal execution mechanisms (internalisation / matched principal) are applied, the Broker discloses to Clients:

- the fact of possible use of such mechanisms;
- the general condition for their application — only subject to compliance with the Best Execution principle;
- the absence of systematic internalisation.

Detailed conditions, limitations, and procedures for internal execution are regulated by separate Internalisation Rules (Annex No. 23 to the Regulations).

5. Disclosure of Execution Risks and Limitations

The Broker discloses to Clients material information on risks associated with order execution, including:

- the impact of liquidity and volatility on price and execution speed;
- the possibility of partial execution of orders;
- specific features of stop order execution;
- the impact of market, technical, and infrastructure limitations.

Such information is published in the Regulations, risk disclosures, and other annexes to the Regulations.

6. Notification of Amendments to the Policy

Amendments to this Policy are communicated to Clients through the following means:

- publication of the updated version on the website;
- delivery of a notification via the personal account.

If the amendments affect the conditions of order execution, they enter into force no earlier than **10 calendar days** after publication on the website, unless otherwise provided by law or required for the immediate fulfilment of regulatory requirements.

CHAPTER XI. SPECIAL CONDITIONS FOR THE EXECUTION OF CLIENTS' ORDERS

1. Execution of Orders Where the Client Provides Special Instructions

1.1. Where the Client provides special instructions regarding the execution of an order (including, but not limited to, the choice of execution venue, price, order type, counterparty, volume, or validity period), the Broker shall execute the order in accordance with such instructions.

1.2. In such cases, the Best Execution principle shall apply only to that part of the order in respect of which the Broker retains discretion, in accordance with Clause 3.3 of this Policy.

1.3. The Broker shall not be liable for the fact that execution of an order in accordance with the Client's special instructions may result in an outcome that is less favorable than would have been achieved in the absence of such instructions.

1.4. If the Client's special instructions conflict with legislative requirements, the rules of trading platforms, normative acts of the National Bank of Georgia (NBG), or internal risk management procedures, the Broker shall be entitled to refuse to accept the order.

2. Handling of Clients' Limit Orders

2.1. The procedure for handling and executing Clients' limit orders is carried out in accordance with this Policy, the Regulations, and the rules of the relevant trading platforms.

2.2. Publication of unexecuted limit orders on external trading platforms or their transmission to external liquidity providers is carried out only:

- with the Client's consent;
- where required by the rules of the trading platform;
- where such disclosure is necessary to comply with applicable legislative requirements.

2.3. The Client acknowledges that refusal to publish a limit order may affect the probability of its execution.

3. Execution of Orders under Adverse Market Conditions

3.1. Under conditions of increased volatility, reduced liquidity, trading halts, technical failures, or other exceptional market circumstances, execution of orders may be limited by objective factors beyond the Broker's control.

3.2. In such circumstances, the Broker executes orders taking into account:

- available sources of liquidity;
- technical feasibility of execution;
- risk management and infrastructure requirements;
- obligations to protect the Client's interests and ensure settlement stability.

3.3. The Client acknowledges that under such conditions:

- the execution price may differ from the expected price;
- the order may be executed partially or with delay;
- execution may be temporarily impossible.

3.4. Execution of orders under adverse market conditions shall not be considered a breach of the Broker's Best Execution obligations, provided that the Broker acted in good faith, professionally, and in the Client's interests.

4. Relationship with Other Documents

4.1. This Chapter shall be applied in conjunction with the following documents:

- Chapter III of this Policy;
- the Client Service Regulations;
- the Conflict of Interest Management Policy;
- the Internalisation Rules (if applicable).

4.2. In the event of any inconsistencies, the provisions of this Policy shall prevail with respect to ensuring the best execution of Clients' orders.