Policy of client orders execution of Investment Banking Department Adriatic Bank AD Podgorica

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I GENERAL PROVISIONS

Article 1.

Policy of client orders execution (hereinafter: Policy) of the Investment Banking Department Adriatic Bank AD Podgorica (hereinafter: The Bank) regulates the measures and procedures for the execution of client orders with the aim of achieving the most favourable outcome for the client.

The adoption of this Policy as a separate document stems from good business practice in the field of capital markets. Until now, the measures and procedures for the execution of client orders with the aim of achieving the most favourable outcome for the client were covered and defined by the Rules for providing investment services (hereinafter: The Rules).

Article 2.

The policy does not guarantee the client the best possible execution of each individual order, but its provisions enable the achievement of the most favourable outcome when executing the client's order.

In accordance with the Policy, the Bank will take all reasonable steps when executing the client's order as part of the provision of investment services and activities and auxiliary services, so that it is executed under the conditions that are most favourable for the client.

Article 3.

If the Bank receives an order with a special instruction from the client, such order will be executed in accordance with the client's instruction, which may make it impossible to achieve the most favourable outcome for the client in accordance with this Policy. In that case, the Bank is not obliged to act in accordance with this Policy.

Article 4.

By signing the Agreement on the provision of investment services (hereinafter: The Agreement), the client agrees with the applicable Policy.

Article 5.

The Bank will not conclude the Agreement and take over the client's orders for which it determines that they are not operating in its own name and for its own account.

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II EXECUTION OF CLIENT ORDERS

Place of order receipt

Article 6.

The client submits orders for transactions with financial instruments at the Bank's premises, in Podgorica, Bulevar Džordža Vašingtona 98, floor X.

If the Bank receives an order outside the place of order execution (in its branches), the order will be delivered on the same day to the Bank's headquarters, i.e. to the organizational part that executes client orders. In this case, the orders will be delivered by fax, e-mail or telephone, and the original documents will be delivered to the headquarters within the next 7 (seven) days from the date of receipt of the specific order. The client will be expressly warned of these circumstances when submitting the order.

The order is considered received when it is delivered to the Bank at its headquarters (directly, via fax, e-mail or telephone), which the client must be expressly warned about when submitting the order.

Method of order receipt

Article 7.

The client can submit an order to the Bank directly at the Bank's premises, in Podgorica, Bulevar Džordža Vašingtona 98, floor X or through the person he authorized to issue the order (on the basis of authorization certified by the competent authority, but not older than 3 months and with an apostille where necessary). Also, the authorization must be translated into the Montenegrin language by an authorized translator.

The client can issue an order to the Bank in one of the following ways:

- in writing on the order form;
- by fax, in writing on the order form;
- electronically (e-mail message) i
- by phone, if recording of the phone conversation is enabled.

Article 8.

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Only the client, i.e. the person authorized to issue the order, can issue an order electronically from a pre-defined e-mail address(es). The e-mail address(es) from which orders will be issued is specified by the client in the Request for opening an investment account, in the account opening process, and it is recorded in the Bank's core system (Dabar).

Article 9.

The Bank is obliged to send a reply that the order has been received. If the received order is complete and contains all the necessary elements, the authorized person enters the data from the received order into the Bank's system and creates an order (with the number under which it was entered in the order book) which is automatically sent to the client's email address. If the client does not receive a response that the order has been received, it is considered that the order was not successfully submitted and the client is obliged to try submitting the order again in one of the defined ways. If the order is unclear and ambiguous, the Bank will refuse execution of the order and inform the client about it in the same way it received the order.

When sending an order by fax, electronic means (e-mail message) and by telephone, the Bank will send the client a confirmation of receipt of the order no later than the next working day after the day of receipt of the order.

Article 10.

If the client wants to change a given order, before sending a new order, he should first contact the Bank and check whether there was any trading on the previously given order. Otherwise, the Bank will consider that the new order has nothing to do with the previously given orders.

Article 11.

In the case of receiving an order by telephone, the Bank will provide a mandatory identity verification by means of a special code contained in each Agreement, which, at the client's request, will be assigned and sent to the client's email address

The client is obliged to keep the code as a secret and must not make it available to third parties.

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Submitting an order by fax is possible by signing the order form, and according to the client's instructions. The Bank records when the order arrived by fax and when it was entered in the order book. The Bank is not responsible if the faxing is not successful. If the copy of the order received by fax is not legible, the Bank will refuse execution of the order and inform the client about it in the same way as he received the order.

Content of the order

Article 12.

The client's account must contain all the necessary data for smooth and clear execution, namely:

- the mark that it is about the receipt of an order;
- the name and surname of the client, his registration number and address or the name, registration number and headquarters for a legal entity;
- the name or title of the client's representative or proxy;
- the market where the order will be executed;
- date and time (hour and minute) of receiving the order;
- designation of the financial instrument, ticker and ISIN number;
- type of order (purchase, sale);
- type of order with regard to price and validity period;
- quantity of financial instruments;
- the number of the client's Bank account to which funds will be paid to the client;
- the price of financial instruments at which the order should be executed;
- client's signature;
- any other conditions for order execution.

The Bank accepts the order if the prescribed conditions are met and if all the required data required for the execution of the order have been submitted.

Records of received orders

Article 13.

All received orders, as well as orders for modification and cancellation, are entered into the electronic Order Book immediately upon receipt by an authorized person of the Bank. The Bank maintains a book of orders according to the order of receipt of orders.

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The order book is a workbook in written or electronic form in which all orders received are kept in chronological order by date of receipt and in which the following data is entered:

- number;
- name, surname, address, registration number of the identification document for natural persons, that is, for legal persons, the registered office, first and last name of the authorized person, if he is a representative of a legal person;
- date, time (hour and minute) of receiving the order;
- method of receiving orders;
- type of order (purchase or sale);
- order status (executed, partially executed, change, cancellation);
- type, issuer and designation of the financial instrument to which the order refers;
- quantity of shares or units of financial instruments that are the subject of the transaction;
- the price at which the client placed the order;
- the term until which the order is valid;
- date, time (hour and minute) of execution of the transaction;
- name of the stock exchange;
- sequence number of the trade on the stock exchange;
- quantity and price of financial instruments according to order execution dynamics - if the order is partially executed in several transactions;
- total value;
- data on order changes: date and time, method of change, new order number if the quantity of financial instruments or price has been changed;
- data on order cancellation: date, time and method of cancellation.

This information is entered in a way that all transactions can be easily identified at any time, as well as a way to easily track the transaction from the time the initial order is entered to the final completion of the transaction.

Accepting or rejecting an order

Article 14.

The Bank accepts the order if the conditions prescribed by the Rules, the Agreement and this Policy are met and if all the required data required for the execution of the order have been submitted.

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When receiving a sales order, the Bank checks whether the client owns the financial instruments that are the subject of the order in his proprietary account. The Bank can pay funds from the sale of financial instruments only to the client's transaction account opened at the Bank. Also, money for the purchase of financial instruments can only come from the client's Bank account.

As a rule, when giving a purchase order to the Bank, the client is obliged to remit the funds for the purchase of financial instruments increased by brokerage commission to the client's separate cash account (the client's investment account, which is opened in accordance with the valid Procedure for opening investment accounts for individuals and the Procedure for opening investment accounts for legal entities).

The Bank may exceptionally, considering the permanent business relations with the client, the intensity of business with the client, its financial power and other reasons, decide to deviate from this rule by decision of the Board of Directors, and in accordance with the applicable regulations.

Article 15.

The Bank will refuse to execute the client's order in the following cases:

- if the order does not meet the prescribed terms and conditions established by the Rules, this Policy and the Agreement, that is, if all the required data required for its execution have not been submitted;
- if, in the case of an order for the purchase of financial instruments, determines that the client does not have sufficient funds to purchase the financial instruments that are the subject of the order;
- if, in the case of an order for the sale of financial instruments, determines that the client does not have a sufficient quantity of financial instruments that are the subject of the order;
- if the order is not properly signed or not signed by an authorized person;
- if there is a suspicion of money laundering and financing of terrorism;
- if it believes that the execution of the order may lead to market manipulation;
- if the execution of the order would be contrary to the applicable legal regulations, the rules of the Capital Market Authority and other acts.

In the event that the Bank refuses to accept the order, the Bank will, in writing or electronically, notify the client of this circumstance no later than the day following the day of receipt of the order, stating the specific reason for which the order was rejected.

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Change and cancellation of orders

Article 16.

The client can change his order only if the order has not been completed. The order is considered changed when the change is confirmed by the broker and the client, i.e. the change is entered by the Bank in the order book, which creates a new order.

The client can withdraw - cancel his order, also, only in case the order has not been executed completely. The order is considered cancelled when the change is confirmed by the broker and the client, that is, the change is entered by the Bank in the order book, which creates a new order.

If the order is only partially executed, the remaining part of the order retains the order in the order book. In the case of partial order execution, for each individual execution, the date and precise time of execution, executed quantity and price at which the transaction was executed must be entered in the order book.

Every change, cancellation and data on order execution are entered in the order book.

Changes in the quantity or price contained in the order constitute a new order, except in the case of a reduction in the quantity of financial instruments. An order in which the quantity of financial instruments is reduced retains the same order number and order of execution.

The most favourable order execution

Article 17.

When executing the client's order, the Bank will take all necessary measures for the fair and efficient execution of the client's order in relation to the orders of other clients or the Bank.

Article 18.

When executing an order for the client's account, the Bank will ensure that it will:

- enter information from the order immediately and accurately in the order book;
- immediately execute similar customer orders in accordance with the time of receipt of the order, unless the conditions prevailing on the market or the characteristics of

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the order make it impossible or the interests of the client dictate a different course of action;

- immediately and accurately classify the orders executed for the client's account;
- undertake all the necessary activities so that after the settlement of the obligations according to the executed order, the financial instruments, i.e. the funds, are transferred in a timely and orderly manner to the appropriate client's account;
- notify the client of all significant difficulties related to the execution of the order immediately upon becoming aware of them.

Article 19.

When executing the client's order, the bank is obliged to undertake all the necessary activities in order to achieve the most favourable outcome for the client, considering the following:

- the price of the financial instrument;
- costs, speed, possibility of execution, costs, speed and probability of settlement;
- size, type and nature of the order;
- all other circumstances relevant to the execution of the order, with the fact that when the client issues special instructions regarding the transaction, the Bank executes the order according to those instructions.

When the Bank receives the client's order with special instructions for its execution, the obligation to achieve the most favourable outcome for the client is considered fulfilled.

Article 20.

When determining the priority and importance of execution of client orders, the Bank will consider the following:

- characteristics of the client (including his categorization as a small or professional investor);
- characteristics of the client's order, characteristics of the financial instrument to which the order refers;
- characteristics of the place of execution to which the order can be directed.

In the process of evaluating trading places where the client's order could be executed, the Bank will consider its commissions and fees for order execution at each of the possible trading places in order to achieve the best outcome for the client. The Bank will not determine and charge commissions and fees in a way that would lead to inequality between the trading places where the order can be executed.

Article 21.

When the client issues special instructions regarding the execution of the order, the Bank is obliged to:

- respect the listed relevant factors for the execution of the order to the extent that will enable the client's instructions to be fully complied with;
- warn the small client that the order will be executed in accordance with his instructions, and not in accordance with the Bank's adopted policy regarding the execution of orders under the most favourable conditions.

Article 22.

When the Bank executes the order of a small client, achieving the most favourable outcome is determined in relation to the total costs of the transaction. The total costs of the transaction include the price of the financial instrument and all costs directly related to the execution of the order, which includes the commission of the trading place, the commission of the clearing and settlement of the transaction, the commission of the Bank, as well as all other commissions paid to third parties involved in the execution of the order.

III EXECUTION OF ORDERS FOR MULTIPLE CUSTOMERS

Article 23.

When the Bank simultaneously receives several orders for the purchase or sale of financial instruments with the same execution conditions, such orders can be combined into one order and executed as such (hereinafter: joint order).

When executing a joint order, the Bank may not conclude transactions for its own account or for the account of an employee of the Bank.

When one or more deals are concluded on the basis of a joint order, the Bank must transfer the rights and obligations from such deal/s to clients according to the following rules:

- if the deal/deals were concluded at the same price, and the quantity of financial instruments is not sufficient to execute the entire orders of all clients, the order that was received first is executed in its entirety first;
- if the transactions were concluded at different prices, the order that was received first is executed at the most favourable price as a whole.

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IV PLACE OF EXECUTION OF THE ORDER

Article 24.

When providing the service of executing and/or receiving and transferring orders in the name and for the account of the client, the Bank will choose the place of execution that enables execution under the most favourable conditions.

The place of order execution can be: regulated market, MTP, systematic internaliser, market maker, other legal entity in a third country that performs similar activities on the market or outside the market (OTC market).

If the same financial instrument is traded on two or more organized markets, the Bank will take into account the elements that influence the choice of place of order execution, namely: achieving the most favourable outcome for the client, price, costs, speed and probability of order execution, except when the client gives an explicit directive on the place of order execution.

V RECORD OF EXECUTED ORDERS

Article 25.

The Bank keeps records of the trade confirmations for the account of that client.

The confirmation from paragraph 1 of this article must include the following data:

- first and last name, i.e. name of the client;
- number of the client's account with Central Securities Depository and Clearing Company of Montenegro (for trades on the domestic market);
- designation of the financial instrument;
- quantity;
- price;
- type of business (buying/selling);
- date and time of closing the deal;
- commission calculation and the accounts to which it is paid;
- number of the client's giro account to which funds are paid to the client in case of sale of financial instruments;
- the number of the order by which the transaction for which the trade confirmation is issued was made.

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The Trade confirmation was created electronically in the Bank's core system (Dabar) and as such is valid without a signature or stamp.

VI REPORTING TO CUSTOMERS REGARDING THE EXECUTION OF ORDERS

Article 26.

The Bank is obliged to issue the client a written confirmation of the execution of the order no later than the end of the working day on which the order was executed. The client can order that the Bank delivers the certificate from paragraph 1 of this article to a representative or other person who represents his interests.

The Bank has the obligation to send the client the calculation of the work performed with financial instruments no later than during the next working day after the fulfilment of the obligation from the work it concluded for the account of that client (i.e. no later than T+1).

VII FINAL PROVISIONS

Article 27.

The Bank reviews the Policy of client orders execution of Investment Banking Department on a regular basis and, at least annually, undertakes measures to identify and remedy any deficiencies.

The Bank's Management Board is responsible for the adoption and amendment of this Policy.

This Policy shall enter into force on the date of its adoption by the Management Board and upon obtaining the approval of the Supervisory Board of the Bank and shall apply from the date of its publication on the Internal Acts Management Platform. Upon the entry into force of this Policy, the provisions of the Policy of client orders execution of Investment Banking Department, adopted on 30 September 2025, shall cease to apply.

MANAGEMENT BOARD

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