

## INFORMATION ON THE QUALITY OF CUSTOMER ORDER EXECUTION PURSUANT TO DELEGATED REGULATION (EU) NO. 576/2017 - YEAR 2021

### Purpose of the document

Pursuant to the regulatory sources listed below, this document illustrates:

- the top five execution venues where Banca Akros executed customer orders in 2021, breaking down the exposure by class of financial instrument and indicating, for each execution venue, the volume and number of orders executed at that venue, expressed as a percentage of the total volume of executions and the total number of orders executed at that venue, respectively;
- the top five entities (*brokers*) to which Banca Akros transmitted customer orders in 2021, breaking down the exposure by class of financial instrument and indicating, for each broker, the volume and number of orders executed by it, expressed as a percentage of the total volume of executions and the total number of orders executed through brokers, respectively;
- a summary of the conclusions that the Bank was able to draw from the execution quality monitoring carried out for the year 2021.

### Reference regulations

The regulatory sources referred to in this document are the following:

- Directive 2014/65/EU (MiFID II);
- European implementing regulations: Delegated Regulation (EU) 2017/576 (in particular, Article 3, paragraph 1) and Delegated Regulation (EU) 2017/565 (in particular, Article 65, paragraph 6);
- Consob Regulation on Brokers (in particular, Articles 47, paragraph 7 and Article 50).

## INFORMATION ON THE TOP FIVE ORDER EXECUTION VENUES - YEAR 2021

(Article 3, Paragraph 1 of Delegated Regulation EU 2017/576 and Article 47, Paragraph 7, CONSOB Regulation on Brokers).

### Information on professional customers

Class of instrument	Equity instruments — Shares and certificates of deposit				
	Liquidity brackets based on price deviation 5 and 6 (from 2 000 trades per day)				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
ELECTRONIC SHARE MARKET- MTAA	97.38	88.52	1.15	98.87	25.60
BORSA ITALIANA EQUITY MTF	1.41	8.37	0	100.00	99.45
AIM ITALIA - ALTERNATIVE INVESTMENT MARKET-XAIM	0.36	1.36	0	100.00	93.57
EUROTLX - ETLX	0.29	1.64	0	100.00	100.00
BLOOMBERG TRADING FACILITY - BTFE	0.19	0	0	100.00	0

Class of instrument	Equity instruments — Shares and certificates of deposit				
	Liquidity brackets based on price deviation 3 and 4 (from 80 to 1 999 trades per day)				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
ELECTRONIC SHARE MARKET- MTAA	95.02	93.55	2.28	97.75	56.23
AIM ITALIA - ALTERNATIVE INVESTMENT MARKET-XAIM	2.69	3.88	3.37	96.63	100.00
EURONEXT GROWTH MILAN -EXGM	1.21	2.03	1.83	98.17	99.54
BANCA AKROS SPA – 549300GRXFI7D6PNEA68	1.01	0.14	100.00	0	100.00
EUROTLX -ETLX	0.06	0.35	0	100.00	100.00

Class of instrument	Equity instruments — Shares and certificates of deposit				
	Liquidity brackets based on price deviation 1 and 2 (from 0 to 79 trades per day)				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
ELECTRONIC SHARE MARKET- MTAA	53.66	47.97	1.98	98.02	93.96
AIM ITALIA - ALTERNATIVE INVESTMENT MARKET-XAIM	20.14	37.87	2.03	97.97	99.73
BANCA AKROS SPA – 549300GRXFI7D6PNEA68	13.97	0.56	86.36	13.64	100.00
EURONEXT GROWTH MILAN -EXGM	9.93	9.21	1.67	98.33	99.44
HI-MTF ORDER DRIVEN - HMOD	2.30	4.33	0	100.00	100.00

Class of instrument	Debt instruments				
	Bonds				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
ELECTRONIC BOND MARKET - MOTX	82.42	77.36	9.23	93.50	70.47
TRADEWEB EU BV – MTF- TWEM	8.19	16.66	0	100.00	0
AKROS INT.SISTEMATICO - AKIS	5.19	0.19	0	100.00	100.00
EUROTLX- ETLX	1.84	2.40	0.32	99.73	51.80
BONDVISION ITALIA MTF -SSOB	1.02	1.47	100.00	0	0

Class of instrument	Debt instruments				
	Monetary market instruments				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
TRADEWEB EU BV – MTF- TWEM	98.73	96.45	0	100.00	0
ELECTRONIC BOND MARKET - MOTX	1.10	1.01	0	100.00	80.00
HI-MTF - HMTF	0.14	2.43	0	100.00	0
BONDVISION ITALIA MTF -SSOB	0.02	0.10	0	100.00	0

Class of instrument	Interest rate derivatives				
	Futures and options admitted to trading on a trading venue				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
EUREX DEUTSCHLAND - XEUR	100.00	100.00	0	100.00	98.60

Class of instrument	Derivatives on equity instruments				
	Options and futures admitted to trading on a trading venue				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
ITALIAN DERIVATIVES MARKET	83.19	85.79	0	100.00	99.95
EUREX DEUTSCHLAND -XEUR	16.81	14.21	0	100.00	22.44

Class of instrument	Derivatives on equity instruments Swaps and other derivatives on equity instruments				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
EUREX DEUTSCHLAND -XEUR	100.00	100.00	0	100.00	0

Class of instrument	Securitised derivatives Warrants and derivatives in the form of certificates				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
ELECTRONIC BOND MARKET -MOTX	53.62	0.03	100.00	0	0
EUROTLX - ETLX	28.09	21.41	0.05	99.95	99.95
SECURITISED DERIVATIVES MARKET - SEDX	18.28	73.30	0.19	99.81	63.07
ELECTRONIC SHARE MARKET-MTAA	0	3.39	0	100.00	99.07

Class of instrument	Listed indexed products (ETFs, ETNs and ETCs)				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
TRADEWEB EU BV – MTF- TWEM	55.05	31.60	0	100.00	0
ELECTRONIC OPEN-END FUNDS AND ETC MARKET - ETFP	44.95	68.39	1.82	99.49	28.11

Class of instrument	Other products				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five execution venues listed in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
MARKET FOR INVESTMENT VEHICLES- MIVX	100.00	100.00	0	100.00	100.00

## INFORMATION ON THE TOP FIVE ENTITIES USED IN THE ORDER RECEIPT AND TRANSMISSION SERVICE - YEAR 2021

(Article 65, Paragraph 6 of Delegated Regulation EU 2017/576 and Article 50 of CONSOB Regulation on Brokers)

### Information on Professional customers

Class of instrument	Equity instruments — Shares and certificates of deposit				
	Liquidity brackets based on price deviation 5 and 6 (from 2 000 trades per day)				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
INSTINET GERMANY GMBH - 213800A7BEQATAOUAN40	70.81	3.01	62.70	37.30	100.00
VIRTU ITG EUROPE LIMITED 213800EEC95PRUCEUP63	28.44	91.01	1.16	98.84	69.50
BANK VONTOBEL AG 549300L7V4MGECYRM576	0.31	5.48	0	100.00	99.14
BAADER BANK AG 529900JFOPPEDUR61H13	0.21	0.23	0	100.00	100.00
TAVIRA MONACO SAM 2138001FBNM7FEYM3I07	0.17	0.05	85.00	15.00	100.00

Class of instrument	Equity instruments — Shares and certificates of deposit				
	Liquidity brackets based on price deviation 3 and 4 (from 80 to 1 999 trades per day)				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
VIRTU ITG EUROPE LIMITED 213800EEC95PRUCEUP63	53.99	92.40	1.17	98.83	72.09
INSTINET GERMANY GMBH 213800A7BEQATAOUAN40	15.47	3.22	85.60	14.40	100.00
BANK VONTOBEL AG 549300L7V4MGECYRM576	1.23	3.71	0	100.00	100.00
BAADER BANK AG 529900JFOPPEDUR61H13	0.09	0.46	0	100.00	100.00

Class of instrument	Equity instruments — Shares and certificates of deposit				
	Liquidity brackets based on price deviation 1 and 2 (from 0 to 79 trades per day)				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
VIRTU ITG EUROPE LIMITED 213800EEC95PRUCEUP63	95.75	75.80	2.11	97.89	92.39
INSTINET GERMANY GMBH 213800A7BEQATAOUAN40	2.41	3.63	74.77	25.23	100.00
BANK VONTOBEL AG 549300L7V4MGECYRM576	1.73	20.02	0	100.00	91.09
TAVIRA MONACO SAM 2138001FBNM7FEYM3I07	0.06	0.12	85.71	14.29	100.00
BEKA FINANCE S.V. A - 549300LOLPFZ05R1BE51	0.05	0.08	100.00	0	100.00

Class of instrument	Debt instruments				
	Bonds				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
BAADER BANK AG 529900JFOPPEDUR61H13	52.41	35.60	0	100.00	62.73
BANK VONTOBEL AG549300L7V4MGECYRM576	46.80	63.43	0	100.00	89.80
UBS AG BFM8T61CT2L1QCEMIK50	0.79	0.97	0	100.00	100.00

Class of instrument	Interest rate derivatives				
	Swaps, forwards and other OTC interest rate derivatives				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
SOCIETE' GENERALE O2RNE8IBXP4ROTD8PU41	100.00	100.00	0	100.00	100.00

Class of instrument	Currency derivatives				
	Swaps, forwards and other OTC currency derivatives				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
SOCIETE' GENERALE O2RNE8IBXP4ROTD8PU41	100.00	100.00	0	100.00	100.00

Class of instrument	Derivatives on equity instruments				
	Options and futures admitted to trading on a trading venue				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
SOCIETE' GENERALE O2RNE8IBXP4ROTD8PU41	100.00	100.00	0	100.00	100.00

Class of instrument	Derivatives on equity instruments				
	Swaps and other derivatives on equity instruments				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
SOCIETE' GENERALE O2RNE8IBXP4ROTD8PU41	100.00	100.00	0	100.00	100.00

Class of instrument	Securitised derivatives				
	Warrants and derivatives in the form of certificates				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
BANK VONTOBEL AG 549300L7V4MGECYRM576	56.79	24.62	0	100.00	93.75
VIRTU ITG EUROPE LIMITED 213800EEC95PRUCEUP63	24.63	44.62	0	100.00	89.66
INSTINET GERMANY GMBH 213800A7BEQATAOUAN40	14.75	21.54	92.86	7.14	100.00
BAADER BANK AG – 529900JFOPPEDUR61H13	3.84	9.23	0	100.00	100.00

Class of instrument	Commodity derivatives and emission allowance derivatives				
	Options and futures admitted to trading on a trading venue				
Notification if the average number of transactions per business day in the previous year is <1	NO				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
SOCIETE' GENERALE O2RNE8IBXP4R0TD8PU41	100.00	100.00	0	100.00	1.99

Class of instrument	Commodity derivatives and emission allowance derivatives				
	Other commodity derivatives and emission allowance derivatives				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
SOCIETE' GENERALE O2RNE8IBXP4R0TD8PU41	100.00	100.00	0	100.00	100.00

Class of instrument	Listed indexed products (ETFs, ETNs, ETCs)				
	Notification if the average number of transactions per business day in the previous year is <1	YES			
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
VIRTU ITG EUROPE LIMITED 213800EEC95PRUCEUP63	80.49	75.54	0	100.00	72.95
BANK VONTOBEL AG549300L7V4MGECYRM576	14.18	22.11	0	100.00	17.93
UBS AG BFM8T61CT2L1QCEMIK50	4.45	0.62	0	100.00	100.00
BAADER BANK AG – 529900JFOPPEDUR61H13	0.88	1.49	0	100.00	54.17
INSTINET GERMANY GMBH 213800A7BEQATAOUAN40	0	0.25	100.00	0	100.00



Class of instrument	Other instruments				
Notification if the average number of transactions per business day in the previous year is <1	YES				
Top five entities used in the order reception and transmission service in terms of trading volumes (in descending order)	Portion of traded volumes as % of total in that class	Portion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of direct orders
VIRTU ITG EUROPE LIMITED 213800EEC95PRUCEUP63	91.71	50.00	0	100.00	100.00
BANK VONTOBEL AG - 549300L7V4MGECYRM576	8.29	50.00	0	100.00	100.00





## SUMMARY OF THE ANALYSIS AND CONCLUSIONS DRAWN FROM THE MONITORING OF THE QUALITY OF IMPLEMENTATION GATHERED FROM THE IMPLEMENTATION SITES - YEAR 2021

(Article 3, Paragraph 3 of Delegated Regulation EU 2017/576 and Article 47, Paragraph 7, CONSOB Regulation on Brokers).

### Summary of the business model used by Banca Akros in the execution and transmission of customer orders

*Banca Akros acts as broker-dealer for its customers, offering, for each financial instrument traded on regulated markets, multilateral trading facilities ('MTF') and systematic internalisers ('IS'), a service of access to one or more of these implementation venues, as well as, for shares, bonds and ETFs, a service of automatic research for the dynamic best fulfilment of the customer's order among the various execution venues reached.*

Banca Akros also acts as market maker and/or trader on its own account on bonds, also through its Systematic Internaliser, and on equity, interest rate, exchange rate and main commodity derivatives.

To achieve the 'dynamic best execution for the customer', the Bank takes the following criteria into account, in order of importance, when handling its customers' orders:

- price of the financial instrument;
- commissions and any other charges levied on the customer;
- speed of execution;
- quantity and nature of the order;
- likelihood of execution and settlement;
- any other characteristic of the order that relates to its execution.

The selection of trading/execution venues to be included in the Strategy is made taking into account:

- with respect to regulated markets and MTFs, the following factors:
  - liquidity;
  - execution costs;
  - settlement likelihood and the relative costs;
  - speed of execution;
- with respect to IS, selected market makers/liquidity providers, of the following requirements:
  - *standing* (in terms of creditworthiness, reliability, and professionalism);
  - market share;
  - the ratio of orders accepted to orders received;
  - ability to state prices that reflect market conditions;
  - technology adopted in the supply chain (specifically, for receiving orders and advising of their execution);



- settlement likelihood and the relative costs;
- speed of execution.

If Banca Akros does not have direct access to them, trading venues are reached through brokers, for whose selection the Bank takes into account the following factors:

- *standing* (in terms of credit rating, reliability, professionalism, market share);
- level of complexity of access to markets and/or systems and/or order execution mechanisms;
- technology adopted in the supply chain (specifically, for receiving orders and advising of their execution);
- execution costs;
- settlement likelihood and the relative costs.

### **Summary of the analyses and conclusions resulting from the monitoring of the quality of the implementation gathered in the implementation sites in the year 2021**

During 2021, the execution of Banca Akros customers' orders was carried out according to the criteria set out in the Execution and Transmission Strategy (hereinafter the 'Strategy'). More specifically:

- *customer orders on Italian equity instruments for which the Bank provides a dynamic best execution service*, were mainly executed on the Italian trading venues of which the Bank is a direct member (*regulated markets* MTAA, MTAH and XAIM, managed by Borsa Italiana and EuroTLX MTF); the low percentage of 'direct' orders (orders containing a specific instruction to execute on a specific trading venue) on the aforementioned venues confirm, on the one hand, the significant use by customers of the Bank's dynamic best execution systems and, on the other, the greater competitiveness of the aforementioned trading venues; orders on foreign equity instruments admitted for trading on venues to which the Bank is not a direct member were executed at the respective trading venues mainly through the brokers Instinet, Virtu Financial and Vontobel;
- *customer orders on debt securities, for which the Bank also provides a dynamic best execution search service*, were mainly executed on the Italian regulated market MOTX and on the MTF EuroTLX, Tradeweb and Bloomberg, of which the Bank is a direct member; even in this case, the low percentages of so-called orders "direct" orders on these trading venues confirm, on the one hand, the significant use by customers of the Bank's dynamic *best execution* systems and, on the other, the greater competitiveness of the aforementioned trading venues; orders on money market instruments were instead executed, mainly, on the systematic internaliser of Bank AKIS (against specific instructions from customers), or on the regulated MOT market and on Bloomberg MTF; the orders on debt securities admitted to trading on venues of which the Bank is not a direct



participant were executed, in the respective dealing venues, mainly through *brokers* Baader Bank and Vontobel;

- customer orders on ETDs and securitised derivatives were executed on the respective venues on which the instruments are admitted to trading directly in cases where the Bank is a direct member (IDEM and Eurex regulated markets, EuroTLX MTF and SEDEX MTF), exclusively against 'direct' customer orders, and through *brokers* Société Générale and Vontobel in other cases;
- *customer orders on ETP (exchange traded products) such as ETFs, ETNs and ETCs, for which the Bank also provides a dynamic best execution research service, were mainly executed on the Italian regulated markets ETFP and MIVX and on the MTFs Tradeweb and Bloomberg*
- customer orders on commodity ETD derivatives were executed on the respective venues on which the instruments are admitted to trading by the Bank as a direct member in the case of European energy market (XEER) derivatives and through the broker Société Générale in the remaining cases.

Trading outside trading venues generally involved:

- with reference to equity instruments, the execution of orders of significant size (so-called blocks), at the specific request of the customer;
- *with reference to bonds, the execution of trades in which Banca Akros acted as the customer's counterparty involved cases in which the Bank executed directly as a systematic internaliser (AKIS), or as a liquidity provider, in competition with the respective trading venues/execution venues for the instruments; in other cases, the Bank executed through third-party market makers, selected using criteria similar to those set out above for the identification of brokers, for bonds not traded on trading venues; during 2021, Banca Akros also executed on its own account orders relating to bonds from the portfolio management of the subsidiary Banca Aletti & C., based on the specific criteria defined in the latter's Order Execution Strategy;*
- with reference to derivatives, OTC derivatives with highly customised features, as requested by the customer, i.e. repurchase agreements.

Given the volumes of orders routed to the various trading venues, as well as the relevant characteristics of these venues in terms of volumes traded, the preceding allows us to express a reasonably well-founded opinion on the good quality of execution obtained by the trading/execution venues selected under the Bank's Order Execution Strategy. Similarly, the use of certain brokers selected within the Bank's Order Transmission Strategy was instrumental in reaching the respective trading venues of which Banca Akros is not a direct member for certain types of financial instruments.

Further specific information content referred to in the regulations is detailed below:

- **Relative importance given by the company to the factors of price, cost, speed, likelihood of execution or other consideration of qualitative factors in assessing execution.**

In compliance with its own strategy, during 2021 Banca Akros, in executing orders from its customers, took into consideration the following factors, listed in order of importance: i) price; ii) cost of execution; and, iii) speed and probability of execution.

Any exceptions to this hierarchy were functional to ensure that customers could invest and/or disinvest at the best possible price and cost conditions, given the execution venues selected by the Bank.

- **Description of any close links, conflicts of interest and proprietary links between the investment company and the execution venues it has used to execute orders**

Banca Akros is a shareholder and appoints one of its representatives to the Board of Directors of Hi-MTF SIM S.p.A., a company that organises and manages the MTF of the same name on which shares and bonds mainly issued by Italian entities are traded. The two bond segments of this market are included among the execution venues referred to in the Bank's Execution Strategy for bond instruments under the proprietary dynamic best execution system known as SABE. Given the low trading volumes of orders on the above segments, the Bank's shareholding in the MTF management company did not affect the way in which the Bank executed customer orders on the above types of financial instruments. Moreover, the Bank is itself an execution venue through the AKIS Systematic Internaliser on which the bonds of the Banco BPM Group and of issuers with which agreements have been entered into to support liquidity are traded continuously, as well as *in request for quote* (RFQ) mode for all other types of instruments that can be classified as part of the debt securities asset class.

- **Description of any specific arrangements made with the execution venue concerning payments made or received and any discounts, rebates or non-monetary benefits obtained**

In 2021, Banca Akros paid the trading venues the commissions defined by them in order to operate on them and did not receive any incentives from them. In some cases, trading venues apply standardised pricing models for members that guarantee a reduction in commissions as the number of transactions increases. These commission systems did not influence the Bank's choice to channel orders to a particular execution venue.

- **Factors that led to a change in the list of execution venues in the company's execution strategy**

During 2021, the list of execution venues that make up the Execution Strategy of the *best*

execution systems also included the systematic internaliser of Banca Akros, called AKIS, for the negotiation of bonds, as well as the segment of Hi-MTF called Hi-Cert, for the negotiation of "certificates". In the first case, the objective was to include the Bank's systematic internaliser among the execution venues envisaged by the Strategy, in a competitive perspective with the other venues, while in the second case the opportunity was taken to access a new trading venue, compared to those already in use for that type of instrument, in order to increase the liquidity available to customers.

The additional execution venues present in the Execution Strategy confirmed a degree of competitiveness deemed at least adequate to guarantee the achievement of the best possible result for the customer. Regarding **brokerage in derivative financial instruments, the execution venues were generally selected by customers in their order instructions, which are directed towards those that guarantee the availability of the instruments of interest and the greatest liquidity.**

- **Differences in the execution of orders according to customer classification, the discriminating factors leading to a different treatment of the various categories of customers and the possible influence this has on the way orders are executed**

Banca Akros customers are exclusively classified as professional customers or eligible counterparties. A large proportion of these customers in turn provide order receipt and transmission (RTO) services to their retail or professional customers. The Order Execution Strategy and the operating rationale of the dynamic best execution systems that Banca Akros makes available to its customers do not vary according to the characteristics of the user customer. However, customisation of the list of trading/execution venues to be put in competition with each other and the activation of specific functional logics are envisaged, depending on the requests made by the customer, without however affecting the overall functioning of the systems.

- **How the investment company has used data or tools relating to execution quality, including data published under Delegated Regulation (EU) 2017/575**

To monitor the quality of execution of its customers' orders, Banca Akros has internal *post-trading activity* systems capable of reconstructing a posteriori the market conditions at the time of execution of the orders by the dynamic *best execution* research systems. Moreover, data from the execution venues competing against each other in the aforementioned best execution systems are used to generate indices, including daily indices, to assess their performance. In 2021, the Bank did not make use of the reports relating to the quality of execution, pursuant to Delegated Regulation (EU) 2017/575, given the suspension of the publication obligation operated



by Directive (EU) no. 2021/338 (so-called "MiFID II QuickFix").