

## Íslandsbanki hf. Information regarding execution of orders

Best execution includes that the Bank shall each time take all sufficient steps to obtain, when executing orders, the best possible results for their clients, relative to other client trading orders or the trading interest of the Bank and other relevant factor, cf. Paragraph 1 of Article 48 of Act No. 115/2021 on markets for financial instruments..

### *Factors and criteria regarding the execution of trading orders*

In the execution of trading orders the Bank shall take all sufficient steps to obtain the best possible result for their clients regarding execution of trading orders with financial instruments<sup>1</sup>, taking into account e.g. following factors:

- Price
- Costs
- Speed
- Likelihood of execution
- Settlement
- Size
- Nature

Aforementioned factors shall determine which execution venue is chosen for the execution of the trading order. Price and cost are generally among the most important factors that are focused on regarding individual trades.

The Bank assesses the relative importance of the aforementioned factors on the basis of the following criteria:

- i. Client characteristics, including classification as retail investor or professional investor.
- ii. The nature of client instructions, including limit orders.
- iii. The characteristics of the financial instruments the trading orders pertain to.
- iv. The characteristics of venues which the Bank can direct trading orders to.

If decision is taken to deal outside a trading venue (i.e., “over-the-counter” or “OTC”) the investment firm shall check the fairness of the price proposed to the client, by gathering market data used in the estimation of the price of such product and, where possible, by comparing with similar or comparable products.

The Bank can decline to execute an order if there is a possibility of market abuse or insider trading.

A client can request that the Bank shall demonstrate that the client’s trading order was executed in accordance with [Íslandsbanki hf. Rules on best execution](#).

### *Specific instructions from the client*

If a client of the Bank issues specific instructions regarding the execution of trades(limit order), the Bank will follow those instructions to the extent possible. Attention is drawn to the fact that any specific instruction from a client may hinder the Bank from achieving best execution of trading orders.

### *Execution venue*

In the execution of trading orders of clients, the Bank can make use of the following types of execution venues:

- a regulated securities market,
- a multilateral trading facility (MTF),
- an organised trading facility (OTF),
- a systematic internaliser,
- brokers,

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<sup>1</sup> financial instruments, cf. item 16 of the first paragraph of Article 4 of the Act on markets for financial instruments

- the Bank own account,
- other entities bringing together buyers and sellers of financial instruments and
- entities outside the European Economic Area performing similar functions to the aforementioned entities.

The Bank shall not receive any remuneration, discount or non-monetary benefit for routing client orders to a particular execution venue which would infringe the requirements in [Íslandsbanki hf. Rules on measures against conflicts of interest](#).

The Bank is obliged to obtain the approval of clients beforehand, if a trading order is executed outside a trading venue. By approving [Íslandsbanki hf. Rules on best execution](#) the client confirms that he/she has been informed of the above.

The Bank assesses regularly whether there has been a material change in execution venues, envisaged by these rules for the execution of trading orders, and whether if this change result in the most favourable outcome for the client. The Bank moreover regularly assesses its choice of third parties for the execution or transmission of trading orders.

#### *Registry of execution venues and third parties*

Overview of the execution venues and third parties which the Bank particularly relies on for the execution of trading orders:

Execution	Type	Shares	Bonds/Treasury bills
Nasdaq Iceland	RSM	x	x
Nasdaq Stockholm	RSM	x	
Nasdaq Copenhagen	RSM	x	
First North Iceland	MTF	x	
Linear Investments Limited, London	B	x	
Deutsche Bank, London	MTF		x
UBS, London	MTF		x
Commerzbank, London	MTF		x
Goldman Sachs	MTF		x
BAML	MTF		x
Danske Bank, Kaupmannahöfn	B/MTF	x (B)	x (MTF)
Jyske Bank	B	x	

RSM = Regulated Securities Market

MTF = Multilateral Trading Facility

B = Broker/Brokerage

O = Other entities that bring together buyers and sellers of financial instruments

The Bank is authorised, in exceptional cases, when it is for the benefit of the client and leads to the best possible result, to use another execution venue than one of those specified in the above list.

#### *Rules on best execution of orders*

Íslandsbanki hf. rules on best execution of orders are published on the webpage [www.islandsbanki.is/fjarfestavernd](http://www.islandsbanki.is/fjarfestavernd). If the rules are changed then an upgraded version is published at the above webpage.