

EXECUTION POLICY

Capital markets activity

In accordance with regulation in force and obligations towards its Clients, Crédit Mutuel ARKEA describes, through its best execution policy (the "Policy"), the measures in place to guarantee the best possible result for its Clients for execution of orders on behalf of Clients.

Crédit Mutuel ARKEA is required to provide its Clients with appropriate information on the Policy.

1- SCOPE

The Policy applies to non-professional and professional clients (the "Clients") as defined by Directive 2014/65/UE on Markets in Financial Instruments (know as MIFID II) when Crédit Mutuel ARKEA offers order execution services on forward financial instruments or debt securities (the "Financial Instruments").

2- BEST EXECUTION CRITERIA

If the Policy applies, Crédit Mutuel ARKEA will take all sufficient steps to obtain the best possible result for Clients by taking into account the order's different criteria of execution, whose Credit Mutuel ARKEA determines the relative importance based on its judgment, its experience in terms of market information at its disposal and knowledge of the characteristics of each Client.

The criteria for execution of an order are:

- The price,
- The cost,
- The speed,
- Likelihood of execution and settlement / delivery,
- It size,
- Its nature,

The relative importance of each criterion may vary according to the following characteristics:

- The Client, including his categorisation as a non-professional or professional client,
- The order of the Client, including the fact that the order involves a securities financing transaction
- The Financial Instrument.

For the Financial Instruments, the best offer is generally based on price (total cost), size and liquidity criteria. For transactions processed with the counterpart Crédit Mutuel ARKEA, other criteria, namely the speed and the probability of execution, will not be relevant.

For a non-professional Client, the main criterion will always be total cost. Total cost is the price of the financial instrument and the costs associated with the execution, which includes all expenses incurred by the customer directly related to the execution of the order, including costs specific to the place of performance, the clearing and settlement fees and any other fees that may have been paid to third parties who participated in the execution of the order.

3- EXECUTION VENUES

All Financial Instruments are traded over the counter (OTC), ie. outside a trading venue (regulated markets, multilateral trading facilities or organised trading facilities). In this context, Crédit Mutuel ARKEA act as a counterpart to its Clients l'instrument financier concerné par l'ordre

These execution methods allow Crédit Mutuel ARKEA to obtain in most cases the best possible result for the Client, particularly with regards to the price, size and liquidity of the Financial Instruments.

Crédit Mutuel ARKEA draws the attention of Clients to the fact that the execution of an OTC order involves a counterparty risk and excludes the use of an order book system.

If it deems it appropriate and subject to having previously informed the client, Crédit Mutuel ARKEA reserves the right to execute the orders of the Clients from any trading venue.

4- PRIOR CUSTOMER CONSENT RELATED TO OTC ORDERS

For OTC orders, client express consent is mandatory before orders can be executed. Clients formalise their agreement by returning the « Answer form - Execution outside of a trading venue » completed and signed.

5- IMPLEMENTATION OF THE POLICY BY TYPE OF FINANCIAL INSTRUMENT

5.1. FORWARD FINANCIAL INSTRUMENTS

For transactions in forward financial futures, Crédit Mutuel ARKEA is always a price provider and applies the following measures to obtain the best possible result for Clients.

To form the final price under the best conditions, Crédit Mutuel ARKEA takes into account:

- the price of the Financial Instrument, determined from market datas, comparable transactions and / or internal models.
- a gross margin consisting of costs related to its business model, including the costs of setting up the sales and follow-up processes, personnel costs, hedging, credit risk and the risk management policy. In this respect, Crédit Mutuel ARKEA undertakes to apply a maximum gross margin, communicated to the Client, which includes these various components.

Whatever the situation, if the Client accepts the final price, the transaction will be executed against the counterpart Crédit Mutuel ARKEA. If no quotation could be obtained, the transaction can not be executed.

5.2. DEBT SECURITIES

- Vanilla debt securities: see "5.1. Forward financial Instruments".

- Structured products : the best execution in the context of structured investments is exercised particularly at the time of product manufacture. Whether it is an external issuer or the Crédit Mutuel ARKEA issuer, the latter acts systematically as a counterpart of the Client. The best execution is ensured through by calls to tender and market datas used in the determination of product characteristics.

6 – EXCEPTIONS TO THE APPLICATION OF THE POLICY

6.1. SPECIFIC INSTRUCTIONS

Any specific request made by a Client regarding the execution modalities of an order is regarded as a specific instruction. In the event that Crédit Mutuel ARKEA agrees to process the order, it executes it according to the specific instructions of the Client. In these circumstances, Crédit Mutuel ARKEA may not be able to apply the provisions covered by this Policy.

6.2. EXCEPTIONAL CIRCUMSTANCES

The best execution obligations do not apply in exceptional circumstances such as severe market disruption and / or breakdown of internal or external systems. In these cases, the responsibility of Crédit Mutuel ARKEA can not be sought if the execution conditions of the orders do not prove to be optimal for the Clients.

7- PUBLICATION OF THE POLICY, CLIENT AGREEMENT AND REQUEST FOR INFORMATION.

The publication of this Policy on Crédit Mutuel AKEA's website is appropriate in the context of our contractual relations. The Client agrees with this Policy by signing the terms of business of Crédit Mutuel ARKEA.

Upon reasonable and proportionate request, the Client may obtain from his usual contact further information about the Policy or the provisions taken as such and their process of update, including the consequences of the execution of orders outside a trading venue.

8 – MONITORING AND UPDATE OF THE POLICY

8.1. JUSTIFICATION OF THE BEST EXECUTION

Crédit Mutuel ARKEA retains the elements used to determine the price of the Financial Instrument and to justify the best execution for the orders executed for its Clients. They can be communicated within a reasonable time on request of the Client to his usual contact.

8.2. RANKING OF THE EXECUTION VENUES AND INFORMATION ABOUT THE QUALITY OF EXECUTION

In accordance with regulations in force, Crédit Mutuel ARKEA will publish each year on its website the ranking of the execution venues for each category of Financial Instrument and summary information on the quality of execution obtained.

8.3. REPORT AND CONTROLS

Crédit Mutuel ARKEA, on the basis of reports it carries out, performs periodic checks to verify the compliance of the best execution system.

8.4. UPDATE OF THE POLICY

In case of major or significant events related to the execution conditions, Crédit Mutuel ARKEA will update its best execution policy.

In the absence of conditions requiring a review during the year, Crédit Mutuel ARKEA reviews at least once a year its Policy. In case of an update, the new version of the policy is made available on its website.