

Admiral Markets AS Best Execution Policy

14.03.2025

1. General Provisions

1.1 Introduction

This Best Execution Policy ("Policy") establishes the principles, terms, and conditions under which Admiral Markets AS ("AM" or "the Company") executes transaction orders ("Orders") in financial instruments for its retail and professional clients ("Clients") (as defined in the Company's Client Categorisation Policy).

This Policy applies to all Client Orders unless a Client provides specific instructions regarding execution. Any such instructions may override certain aspects of this Policy but may also limit AM's ability to achieve the best execution outcome. The Policy should be read in conjunction with AM's Terms and Conditions and other relevant service agreements.

1.2 Scope

AM is committed to treating Clients fairly, executing transactions professionally and transparently while taking all sufficient steps to obtain the best possible execution result. This includes considering key execution factors such as price, costs, speed, likelihood of execution and settlement, order size, and market impact as outlined in Section 3.3 of this Policy.

By opening a trading account or placing an Order via AM's trading platform, the Client acknowledges and agrees that their Orders in relation to fractional shares and contracts for difference may be executed on an Over-the-Counter (OTC) basis, outside a Regulated Market¹ (e.g., a licensed European Stock Exchange) or a Multilateral Trading Facility (MTF)² or an Organized Trading Facility (OTF)³ (e.g., a European Financial Trading System).

Conversely, the Client acknowledges and agrees that their share dealing orders in whole shares will generally be executed on a Regulated Market or an MTF, in accordance with AM's Best Execution Policy. Execution outside a trading venue⁴ may only occur where permitted under

applicable regulations, such as transactions executed under the exemptions provided in Article 23(1) of the EU Regulation on markets in financial instruments (MiFIR).

1.3 Applicability

For retail clients, AM determines best execution primarily in terms of total consideration, representing the price of the financial instrument, and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of the Order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Nevertheless, other execution factors may be given precedence over the immediate price and cost consideration if they are instrumental in delivering the best possible result.

For professional clients, while AM still applies best execution principles, there may be circumstances where the likelihood of execution or market impact takes precedence over price considerations.

Where a Client provides specific instructions, AM will execute the Order according to those instructions. Compliance with such instructions will be deemed as satisfying AM's best execution obligations.

1.4 Execution Model by Instrument Type

Contracts for Difference (CFDs): AM acts as principal, meaning it is the counterparty to all CFD transactions. Orders are executed outside regulated markets based on Over-the-Counter (OTC) principles.

Whole Shares: AM acts as an agent with respect to share dealing trades with clients which means that all share dealing orders will be received and transmitted for execution to an Execution Broker through a series of intermediaries.

Fractional Shares: Fractional share trading enables you to buy or sell a part or fraction of a full share. AM offers fractional shares through OTC execution, meaning they are not directly traded on a regulated exchange but are instead processed internally or matched with full-share transactions. AM facilitates execution based on aggregated demand or internal liquidity management.

1.5 Confirmation of execution terms

By agreeing to AM's Client Agreement, the Client expressly consents to the terms of this Policy. Clients are required to familiarize themselves with the execution terms, as AM considers placing an Order as confirmation of the Client's acceptance of this Policy.

1.6 Order Execution Arrangements monitoring

AM will monitor the effectiveness of its order execution arrangements on an ongoing basis and will review this Policy at least annually. Any material changes will be published on AM's website (admiralmarkets.com) and will take effect from the date of publication.

1.7 Relevant obligations

If a Client is dissatisfied with the execution of an Order, AM is obligated to provide, upon written request, relevant details to verify whether the execution was conducted in full compliance with this Policy and applicable business terms.

1.8 Fiduciary duty

AM's obligation to provide best execution does not imply that AM owes any fiduciary duty to Clients beyond the specific regulatory obligations imposed on the Company or as stated in its Terms of Business.

2. Execution Criteria

2.1 Key execution factors

AM takes all sufficient steps to obtain the best possible result for Clients when executing orders, considering the following key execution factors:

Price – The most competitive price available at the time of execution, derived from liquidity providers,

execution brokers, external market data, or internal pricing models, depending on the financial instrument.

Costs – Includes spreads, commissions, financing fees, and any other costs directly related to order execution, with variations depending on the instrument type (e.g., swap rates for CFDs, custody fees for real shares).

Speed of Execution – The time taken to execute an order after it has been placed, which is crucial in volatile markets.

Likelihood of Execution and Settlement – The probability that an order will be executed and settled successfully, considering liquidity conditions, counterparty availability, and market structure.

Order Size and Market Impact – Large orders may require partial fills or be executed at varying price levels to minimize market disruption.

Nature of the Order – The type of order (e.g., market, limit, stop orders) may influence execution characteristics.

Other Considerations – Factors such as slippage, latency, market volatility, and operational risks may affect execution quality, requiring AM to optimize its execution framework continuously.

2.2 OTC transaction execution

The Client acknowledges that transactions in Financial Instruments executed with AM may take place either over-the-counter (OTC) or on a regulated trading venue, depending on the instrument type. Transactions in Contracts for Difference (CFDs) and fractional shares are executed OTC, meaning they are not traded on a regulated exchange. In contrast, transactions in whole shares are generally executed in a regulated market in accordance with AM's Best Execution Policy.

As a result, OTC transactions may expose Clients to greater risks, such as counterparty risk, compared to transactions executed on a regulated venue. Clients seeking further information on OTC execution risks should contact AM through official communication channels.

2.3 Acting as principal

AM acts as principal (and not as an agent on behalf of Clients) for all submitted CFDs and Fractional Shares Orders, meaning AM is the sole execution venue for such transactions. This means Client's trade directly with AM, which serves as the counterparty to all such transactions, rather than routing orders to external exchanges. Pricing for CFDs is determined based on aggregated data from various liquidity providers, rather than public exchanges.

2.4 Facilitating client transactions

AM utilizes a variety of execution venues⁵ and liquidity providers to facilitate client transactions:

Share dealing orders/ trades: For share dealing trades, AM acts as an agent, transmitting client orders through a network of regulated intermediaries. These intermediaries may include other brokers, ultimately leading to execution on a regulated exchange.

AM regularly evaluates and updates its network of regulated intermediaries to ensure competitive

pricing and efficient transaction volumes. The orders are transmitted through the intermediary brokers to the execution venue(s) specified in Annex 1 of this Policy for execution, with updates made periodically as necessary.

2.5 Sole Execution Venue

AM's decision to act as the sole execution venue for CFDs and Fractional Shares orders is based on an ongoing assessment of execution quality, considering factors such as pricing control, speed, and cost efficiency. This structure allows AM to:

Maintain greater control over execution pricing and market access.

Reduce external execution fees and minimize potential slippage.

Ensure efficient trade execution by optimizing liquidity management.

2.6 Pricing model

AM determines its bid/ask prices for CFDs based on multiple liquidity sources, ensuring pricing reflects market conditions while incorporating its own execution costs within the spread. Prices are derived from real-time market feeds, aggregated liquidity pools, and internal pricing models to maintain fair execution for clients. The spread applied to each instrument includes internal costs, which may be structured as a mark-up or commission, depending on the asset class and execution method.

For transparency, AM provides real-time quotes through its trading platform, displaying the minimum and typical spreads under normal market conditions, which are also detailed on its website. Execution costs may include the total bid-ask spread, separate commissions where applicable, and holding costs such as swap rates for overnight positions. The Company continuously evaluates its pricing model to ensure competitive rates while balancing liquidity availability and execution stability.

2.7 Liquidity constraints

Liquidity constraints may result in wider spreads, partial fills, or delayed executions, especially during low-liquidity periods (e.g., pre- and post-market hours, major news events).

Extreme market conditions can impact execution speed and likelihood, increasing the chance of slippage.

OTC derivative instruments (CFDs, and Fractional Shares) are affected by real market volumes, and their pricing may deviate from exchange-traded equivalents due to internal order matching or limited available liquidity.

2.8 Slippage

AM takes sufficient steps to ensure that orders executed on AM's quoted prices provide the best possible result at the time of quotation. However, in fast-moving markets, execution may occur at a price that no longer reflects the best market price. This situation, known as slippage, can have either a favorable or adverse impact on the final execution price.

2.9 Notification of operational disruptions

AM shall notify Clients in the event of any material difficulty that may prevent the proper execution of Orders. This includes technical failures, system disruptions, or significant market events affecting execution quality.

3. Important factors of best execution of Orders

3.1 Client order execution

AM executes all client orders in accordance with the General Terms and Conditions.

When executing client orders, AM shall consider the following:

- the characteristics of the client including the categorisation of the client as retail or professional. Professional customers may have different needs to retail clients.
- The Characteristics of the client order, including where the order involves a securities financing transaction (SFT): This refers to the nature of the client order, including whether it involves a securities financing transaction (SFT) and the type of order placed (e.g., market, limit, stop-loss, or take-profit orders).
- the characteristics of financial instruments that are the subject of that order: The type of asset being traded, including Contracts for Difference (CFDs), Whole Shares (Agency Model), and Fractional Shares.
- the characteristics of the execution venues to which that order can be directed: The characteristics of the venue where the order can be executed, such as OTC execution for CFDs and fractional shares or exchange-based execution for whole shares via the agency model.

3.2 Best execution factors

AM prioritises achieving the best possible execution for its clients' orders by considering various execution factors. The following outlines the factors AM considers and their relative importance across different financial products. Price and costs are rated as the most critical execution factors, followed by speed of execution, likelihood of execution and settlement, order size, market impact, and the nature of the order. The relative importance of these factors may vary across asset classes, including Whole Shares (Agency Model), Fractional Shares and CFDs (OTC Principal Model).

Price (Highest Importance)

Price is the most significant factor influencing order execution as it directly affects total consideration. The price of a financial instrument is calculated based on reference sources, including market data for whole and fractional shares and liquidity providers for CFDs.

For CFDs, AM quotes two prices: the ASK price (for buying) and the BID price (for selling), forming the spread. AM sources CFD pricing from multiple providers to ensure price accuracy and prevent reliance on a single feed. The company updates prices as frequently as technology allows, ensuring they reflect real-time market conditions.

For Whole Shares (Agency Model), execution takes place on a regulated exchange through

intermediary brokers, with pricing determined by market bid-ask spreads and available liquidity conditions.

For Fractional Shares, execution is conducted internally (OTC); with pricing derived from the same exchange-traded price sources used for Whole Shares. To ensure fairness and transparency, AM determines the best possible execution price for Fractional Shares using a top-of-the-book volume band methodology, ensuring pricing reflects the most competitive market conditions available at the time of execution.

Costs (High Importance)

Cost considerations include spreads, commissions, financing fees, and currency conversion costs.

- CFDs and Fractional Shares: AM may charge a mark-up or mark-down embedded within the spread, commission-based fees, or a combination of both. Commissions and financing fees, such as swap rates, are applied separately and are disclosed transparently to clients.

For all CFDs offered by the Company, financing fees are charged separately to the Client's trading account and are not included in the quoted price. For financing fees, the value of open positions in certain CFDs is adjusted by a "swap rate" for the duration of the trade, until the position is closed. These fees are based on prevailing interest rates, which may fluctuate over time. Details of the applicable financing fees are available on the Company's website.

<https://admiralmarkets.com/start-trading/contract-specifications>)

- Whole Shares: Costs depend on exchange fees, intermediary fees, and potential clearing costs. AM routes orders to regulated markets through brokers, ensuring cost efficiency while maintaining execution quality.
- Currency Conversion: Where a trade occurs in a currency different from the client's base currency, a conversion quote may be provided. This does not reflect an actual currency exchange but serves to calculate the trade's total consideration.

AM discloses all cost components on its website, ensuring transparency in execution pricing.

Speed of Execution (High Importance)

Execution speed is critical, particularly in volatile markets where prices fluctuate rapidly.

- CFDs and Fractional Shares: These instruments are executed OTC, allowing for near-instant execution as long as market conditions allow.
- Whole Shares: Execution speed depends on the exchange and intermediary processing times, meaning orders may take slightly longer than OTC transactions.

AM employs automated trading technology to optimize execution speed and minimize delays. However, factors such as client internet connectivity, trading platform limitations, and third-party processing times can impact the final execution speed.

Likelihood of Execution (High Importance)

Likelihood of execution refers to the probability that an order will be successfully completed.

- **CFDs and Fractional Shares:** Execution is managed internally, meaning orders are filled based on AM's liquidity sources or client matching. Liquidity constraints may impact large CFD orders, and AM may split orders to reduce market disruption or route them to multiple liquidity providers to obtain best possible price for client.
- **Whole Shares:** Execution depends on market liquidity at the exchange level. AM transmits client orders through intermediaries, ensuring that execution brokers facilitate execution at competitive prices.

AM reviews liquidity providers/ execution brokers and execution venues regularly to ensure adequate fill rates and prevent execution delays.

Likelihood of Settlement (Medium Importance)

Settlement refers to the completion of a trade and the transfer of ownership or funds.

- **Settlement for Whole Shares** follows the T+2 exchange clearing rule, meaning trades executed on a regulated exchange are settled two business days after execution. However, in the agency model, shares may not be settled directly in the client's account or Admiral Markets AS's account, as execution is facilitated through intermediary brokers. These intermediaries execute the trade on an exchange and may hold shares in nominee accounts, pooled custody accounts, or omnibus structures, where client entitlements are recorded rather than individual share registration. This structure ensures efficient execution and regulatory compliance while minimizing administrative complexity.
- **CFDs and Fractional Shares:** These instruments do not involve physical settlement but are cash-settled instead.

AM ensures that transactions settle smoothly by maintaining robust operational controls and working with regulated intermediaries for market execution.

Size of Order (Medium Importance)

The order size affects execution pricing and liquidity availability.

- **CFDs:** Large orders may be split across multiple liquidity providers to mitigate market impact.
- **Fractional Shares:** Orders for fractional shares are executed independently for each client. Execution is based on the availability of full shares in the Company's possession. If the Company holds enough full shares to fulfill the order, the fractional share request is executed as requested. However, if the total fractional share orders exceed the Company's available position, the Company will secure additional shares before confirming the order's execution.
- **Whole Shares:** Large orders may be executed in multiple transactions, affecting execution speed and pricing depending on market depth.

AM optimizes order handling procedures to ensure smooth execution while balancing trade size with market impact.

Market Impact (Medium Importance)

Market impact refers to the extent to which an order affects the price of an asset.

- Whole Shares: Large market orders may create temporary price distortions, particularly in less liquid stocks.
- CFD orders, when significantly large, may impact AM's internal liquidity pool, potentially leading to wider spreads.

To minimize market disruption, AM monitors execution activity and adjusts risk management protocols accordingly.

Nature of Order (Lower Importance)

The type of order placed can impact how and when it is executed.

- Market Orders: Executed immediately at the best available price.
- Limit Orders: Executed only when the market reaches a pre-specified price.
- Stop Orders: Converted into market orders once triggered by price movements.

3.3 Execution Quality Monitoring

AM continuously monitors execution quality to ensure that clients receive the best possible outcome for their orders. The firm evaluates execution performance by analyzing the following key factors:

- Price – Ensuring that orders are executed at the most competitive prices available, with continuous benchmarking against market data.
- Costs – Evaluating trading costs, including spreads, commissions, and financing fees, to maintain cost efficiency.
- Speed of Execution – Monitoring execution times to ensure timely order fulfillment, particularly in fast-moving market conditions.
- Likelihood of Execution & Settlement – Assessing the probability of orders being executed and settled without delay, considering market liquidity and order type.
- Order Size – Analyzing the impact of larger trades on execution quality and liquidity availability.
- Market Impact – Measuring how client orders influence market prices, particularly for large or illiquid trades.

To maintain transparency, AM conducts periodic internal reviews and provides execution quality reports to ensure compliance with regulatory requirements and industry best practices. If significant deviations from expected execution quality are detected, corrective measures are taken, including adjustments to execution methodologies or engagement with alternative liquidity providers.

4. Effect of other factors on the execution Order

4.1 Spread adjustments

AM reserves the right to adjust spreads dynamically based on market conditions, which may lead to widened spreads and slippage during periods of high volatility, fundamental news announcements or low liquidity. Spread adjustments are influenced by external liquidity conditions, market depth, and internal risk management protocols.

4.2 Trading system monitoring

AM primarily utilizes automated trading systems to price and execute client orders in real time. However, in unusual market conditions, low-liquidity scenarios, or periods of extreme volatility, automated execution systems may experience delays due to increased processing demands or external market disruptions. AM continuously monitors system performance and execution quality, implementing redundancy measures and infrastructure improvements to mitigate the risk of execution delays.

4.3 Execution delays

Execution delays beyond AM's control may arise due to technical failures, network disruptions, or latency issues related to trading platform connectivity. AM takes reasonable measures to mitigate these risks, including system redundancies, alternative trading channels, and infrastructure improvements, but does not assume liability for delays resulting from external connectivity issues or client-side hardware limitations.

4.4 Execution Failure Handling and Business Continuity

In the event of a system failure, market outage, or technical disruption that prevents normal execution, AM has contingency measures in place to minimize disruptions. These include:

- Redundant trading infrastructure to ensure continuous order execution.
- Alternative order routing methods in case of primary venue failure.
- Immediate client notification if execution delays exceed standard processing times.

AM shall not be liable for execution failures caused by factors beyond its control, including external system outages, regulatory suspensions, or extreme market conditions. Clients are encouraged to implement risk management strategies, such as stop-loss orders, to mitigate potential impacts.

5. Specific instructions from clients

5.1 Client order execution

If a client provides specific instructions regarding the execution of an order, AM will execute the order strictly in accordance with those instructions. However, adherence to specific instructions may override AM's best execution policy, meaning that AM may not apply its standard execution methodology to obtain the best possible outcome for the client. This includes cases where a client specifies an execution venue, execution method, price limits, time constraints, or other execution-related conditions.

5.2 Best execution obligations

AM will be considered to have fulfilled its best execution obligations when it executes an order in

strict accordance with the client's specific instructions. If the client provides execution conditions that differ from AM's best execution policy, AM is not required to take additional steps to achieve the best possible execution outcome beyond following those instructions.

WARNING: It is noted that any specific instructions from a client may prevent AM from taking the steps that it has designed and implemented in this Policy to obtain the best possible result for the execution of those Orders in respect of the elements covered by those instructions.

However, it shall be considered that AM satisfies its obligation to take all sufficient steps to obtain the best possible result for the Client.

5.3 Limitations of Specific Client Instructions

When a client provides specific instructions regarding the execution of an order, AM shall execute the order according to those instructions. However, clients should be aware that:

- Specific instructions may override AM's best execution obligations, potentially leading to a less favorable outcome than AM's standard execution process.
- AM shall not be responsible for price deterioration, increased slippage, or other execution inefficiencies arising from specific client instructions.
- If the instructions only cover part of the order execution (e.g., a specified venue but no price limits), AM will apply its best execution policy to the remaining aspects.

Clients should carefully consider the implications of specifying execution conditions, as they may limit AM's ability to optimize order execution.

6. Aggregation

6.1 Aggregation of orders

AM does not aggregate or combine client orders with other client orders for execution. Each order is executed independently to ensure fair and transparent execution, preventing any potential advantage or disadvantage arising from order bundling. This approach aligns with AM's best execution obligations, ensuring that all client orders are treated with the highest level of integrity and processed individually.

6.2 Justification for Non-Aggregation of Orders

AM does not aggregate or bundle client orders for execution. This policy is designed to:

- Prevent order manipulation risks that could disadvantage individual clients.
- Ensure that each client receives independent execution without price distortions.
- Maintain fairness and transparency by avoiding preferential treatment for certain order sizes.

In certain market conditions, order aggregation could improve execution outcomes. However, AM has determined that maintaining individual order execution provides greater consistency and execution fairness across all client categories.

7. Selection Process of Execution Venues, and Monitoring and Reviewing the Effectiveness of the Company's Order Execution Policy

7.1 Selection Process of Execution venues

The Company evaluates and selects third-party execution venues/ brokers and liquidity providers through the application of appropriate due diligence and consideration of a number of factors, including the factors provided in section 3 above (as well as both quantitative and qualitative factors), in order to ensure that the selected execution venues/ brokers/ liquidity providers are able to consistently provide Clients with the best possible result. Selection is based on regulatory compliance, execution quality, and operational reliability. Key selection criteria include:

1. Regulatory Standing & Creditworthiness – The financial stability, regulatory authorization, and reputation of the entity.
2. Operational Efficiency & Execution Consistency – The provider's ability to facilitate seamless trade execution under various market conditions.
3. Contractual & Legal Considerations – The terms governing the business relationship, ensuring compliance with regulatory obligations.
4. Market Access & Liquidity Provision – Continuous access to an execution venue, ensuring adequate depth of liquidity across multiple asset classes.

7.2 Execution venues criteria

The Company assigns relative importance to each criterion based on market conditions, asset type, and liquidity profile. The Company collaborates with execution venues, brokers and liquidity providers that facilitate the best possible execution outcome on a consistent basis, considering price competitiveness, execution speed, and overall order fulfillment efficiency.

7.3 Selection of execution brokers/liquidity providers

The Company prioritizes the careful selection of execution venues, brokers/ liquidity providers to ensure consistent order execution, competitive spreads, and deep market liquidity. By working with multiple liquidity providers and execution venues, the Company enhances price discovery and order fulfillment efficiency.

7.4 Execution brokers/liquidity providers evaluation criteria

The Company conducts due diligence and ongoing performance reviews before engaging liquidity providers/ execution venues, brokers. Evaluation criteria include:

- Pricing Frequency & Data Accuracy – The number of price updates per second and data reliability.
- Execution Speed & Order Processing Time – The speed at which orders are transmitted and executed.
- Market Liquidity & Depth – The availability of liquidity across different asset classes and market conditions.

- **Stability & System Resilience** – The frequency of price freezes, execution failures, and system outages.
- **Slippage & Trade Fill Quality** – The consistency of price execution, including the evaluation of positive and negative slippage trends.

The Company is committed to ensuring that Clients receive the best possible execution for their orders in shares, fractional shares, and CFDs. To achieve this, the Company implements a robust monitoring process that includes the following procedures:

- The Company randomly selects a sufficiently large sample of executed trades across shares, fractional shares, and CFDs to ensure, with a high statistical confidence level, that it consistently achieves optimal execution results for Clients.
- The sampling includes trades executed during various time periods and across different instruments and order types, providing a comprehensive analysis of execution quality.
- Additionally, the sampling process incorporates trades executed under irregular market conditions, such as periods of heightened volatility or liquidity constraints, to assess performance and execution quality effectively.

Through these measures, the Company continually evaluates its execution practices to ensure transparency and adherence to the highest standards in order execution

7.5 Execution Policy Review & Transparency Reporting

AM regularly reviews its execution policy to ensure continued compliance with regulatory requirements and evolving market conditions. The review process includes:

- Quarterly performance evaluations of execution quality, price competitiveness, and market access.
- Independent verification of execution data to confirm adherence to best execution standards.
- Public disclosure of execution venue statistics, slippage reports, and order fill rates upon client request.

AM is committed to transparency in order execution. Clients may request execution data to independently assess the firm's order handling practices.

Annex 1 - Execution Venues.

1. Admirals Europe LTD (has a partnership with an executing broker which executes the orders in relation to shares dealing orders.)
2. Admiral Markets AS (in relation to CFDs and Fractional Shares.)