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Chief Operating Officer	All employees	EU • MiFID II (EU) 2017/565 artikkel 65, 66, 68 Norway • Verdipapirhandelloven § 10-19 Sweden • Lag (2007:528) om värdepappersmarknaden • FFFS 2017:2 Finansinspektionens föreskrifter om värdepappersrörelse Denmark • Bekendtgørelse om værdipapirhandleres udførelse af ordrer (BEK nr 917 af 25/06/2017) • Vejledning om bekendtgørelse om værdipapirhandleres udførelse af ordrer (VEJ nr 10181 af 26/09/2007)		

Policy for Transmission and Execution of Orders and Operation of the Nominee Function

Revision history:

Version	Date	Section	Summary of revision	Responsible
1.0	23.04.2024	Entire document	Annual review of entire document, revision history and first page added	C&R
1.1	22.04.2025	Entire document	Annual review and updated based on GAP analysis	COO

FORMUE

1 Introduction

1.1 Background and purpose

The purpose of this Policy is to provide an overview of how Formue Norge AS ("Formue NO") on behalf of Norwegian, Swedish, and Danish clients and Formue Sverige AB ("Formue SE") on behalf of Swedish clients acts honestly, fairly and professionally when handling client orders and takes the clients' best interests into account. The policy further sets conditions for the operation of the nominee function in Formue NO.

Formue NO and Formue SE will be referred to collectively as "Formue" in this document.

1.2 Scope of application

This Policy applies to:
• all financial instruments quality approved and distributed by Formue (see Formue's Investment Policy)
• all clients regardless of client classification as non-professional or professional
• all orders in financial instruments involving both investment service *reception and transmission of orders* and *execution of orders on behalf of clients.*

Investment services provided by Formue SE regarding order management are limited to reception and transmission of orders. The majority of orders in financial instruments received from clients are transmitted to Formue NO for further processing. Formue SE can approve selected execution venues and transmit orders to these. This Policy applies to Formue SE apart from section 2.3, 5 and 6.2.

Formue NO and Formue SE do not provide the investment service "dealing in financial instruments on own account" and therefore do not carry out any own account transactions.

1.3 Definitions

Best Execution	When executing client orders in financial instruments, investment firms must implement the necessary measures to ensure the best possible result for client orders on a continuous basis - Best Execution. This includes price, costs, market influence, speed, probability of execution and settlement, size, characteristics of order and other factors relevant to the execution of the order. This means that when Formue acts on behalf of a client, Formues required to take all sufficient steps to obtain the best possible result for clients.
Order Handling	This term will be used in the Policy to include both transmission and execution of orders in financial instruments.
Nominee	The financial firm that is nominee is the legal owner of the assets, but the beneficial owner retains all the rights to the assets, such as the right to receive income or dividends, sell or transfer the assets, or vote on matters related to the assets.

If a client gives specific instructions, this could prevent Formue from executing an order in line with the guidelines in this Policy to ensure the best result for the client.

2 Responsibility and organization

2.1 The Boards

Formue SE and Formue NO's Boards has the highest responsibility for Formue's operations to ensure that there is a satisfactory organization, management, and internal control for execution of orders in financial products and operation of the nominee function.

Setting the strategic direction: The CEOs are responsible for setting the strategic direction for Formue, which includes defining the scope and objectives of the Policy.

The Boards are responsible for overseeing the implementation of the Policy and ensuring that it is being followed by Formue and its employees.

The Boards should periodically review the Policy to ensure that it remains appropriate and effective given changes in market conditions, trading practices, or other factors.

The Board should ensure that stakeholders, including clients, employees, and regulators, are informed about Formue's best execution Policy and how it is being implemented.

2.2 Chief Executive Officer

Establishing a culture of compliance: The CEOs for Formue NO and Formue SE are responsible for creating a culture of compliance within the organization, which includes ensuring that employees understand the importance of the Policy and the need to comply with it.

Establishing governance: This includes establishing procedures to ensure compliance with the Policy.

Providing resources: The CEOs are responsible for ensuring that Formue has the necessary resources to effectively implement the Policy. This may include investing in technology, training, and other resources to support the Policy.

Monitoring execution quality: The CEOs are responsible for monitoring the quality of execution and Appointed Order Execution Manager is responsible to ensure that clients are receiving the best possible outcomes. This includes regularly reviewing execution reports and other metrics to identify any issues or areas for improvement.

Communicating with stakeholders: The CEOs alone or via Appointed Order Execution Manager are responsible for communicating with stakeholders, including clients, employees, and regulators, about Formue's best execution Policy and how it is being implemented. This includes providing regular updates on execution quality and other relevant metrics, as well as responding to any inquiries or concerns related to the Policy.

Reviewing and updating the Policy: The CEOs should periodically review the Policy to ensure that it reflects current regulations and remains appropriate and effective given changes in market conditions, trading practices, or other factors.

2.3 Appointed Order Execution Manager (Formue Norway)

Appointed Order Execution Manager approved by authorities for the operations of Formue Norge AS. The relevant Manager is overall responsible for all order execution handled by Formue. This includes not only professional and license-related responsibility of the order handling, but also an overall responsibility for the service and client experience being in line with what is described in this Policy and the Policy for holistic advice.

Key responsibilities include establishing policies and procedures, monitoring execution quality, selecting execution venues, handling client orders, training and education, reporting to management as well as responding to any inquiries or concerns related to the Policy. The Order Execution Manager is also responsible for taking action if any issues or non-compliance are identified.Reference is made to the job description for Chief Operating Officer (Approved order execution manager - "Faktisk leder ordreformidling").

3 Order Handling

3.1 Processing of orders

In Formue, the majority of order handling is centralized in the business unit Formue Depot in Formue NO. The Family Office department do also submit orders through DNB Custody services for some clients. Formue SE and Formue DK can in addition transmit orders through approved execution venues selected by the company (Nordnet). Formue shall, when handling orders, ensure that orders are registered and allocated immediately and accurately according to cut-off lists.

Comparable client orders are executed immediately and in the time order in which they are received unless the nature of the order or the current market conditions make this impossible or it is in conflict with the client's interests.

In case of significant problems in operation of the order handling process in Formue, the client shall be informed as soon as Formue has become aware of this.

All orders will be executed according to KIID/PRIIPs/fact sheet, prospectus and/or present terms and conditions for each financial instrument. Within reasonable timeframe, Formue can set earlier cut-off times than stated in KIID/PRIIPs/fact sheet, prospectus, and present terms and/or conditions.

All subscriptions are conditional on the client providing available liquidity on or before the day of trading in the bank account(s) designated by Formue. Liquidity can be provided by direct transfer from the client to the bank account(s) designated by Formue. Unless otherwise separately agreed, Formue has the client's permission to, in accordance with the individual agreement or transaction, debit the client's account in the bank or submit a request for debiting the client's account in the bank.

Formue Depot must, when carrying out a settlement, take all sufficient measures to ensure that the client's financial instruments received at the settlement date are immediately recorded and posted to the relevant client's Client Account. For clients who wish redemption settlement(s) to be paid out to an external bank account, this must be indicated in a separate withdrawal transaction from the Client account. Formue will only transfer settlements to an account that is in the name of the client.

All payments are made in local currency.

3.2 Aggregation of orders
Formue is responsible for executing orders to relevant counterparties based on discretionary mandates (portfolio management) or instructions given by the client when providing investment advice.

Formue reserves the right to aggregate the client's order with orders from other clients of Formue. Aggregation of orders occurs if it is unlikely that the aggregation will be of a disadvantage to clients. However, the client agrees that aggregating orders in individual cases may cause a disadvantage.

A client order must not be executed together with another client order (aggregation), unless:

- it is unlikely that the aggregation will generally be disadvantageous for the client
- each client is given information that the aggregation may be disadvantageous for them as far as a specific client order is concerned

When aggregating client orders, each client's share of the order must be determined in advance. The clients will always be given a pro rata share in the same proportion as they participated in the aggregated order. Threshold values can be specified for the minimum subscription amount for the individual client. Such threshold values must be determined based on objective criteria.

When handling daily-traded funds, it's common to aggregate multiple client orders into a single total subscription/redemption order submitted to the fund manager before the daily cut-off time.

This approach is used to:

- Improve operational efficiency
- Minimize transaction costs
- Ensure equal treatment of clients

Allocation based on daily NAV pricing:

- Funds are usually priced once per day using the Net Asset Value (NAV).
- As such, all clients placing orders within the same cut-off time receive the same price (NAV).
- This means allocation is primarily about volume distribution, not price advantage.

If aggregated orders are fulfilled in stages, clients must be given the same average price.

4 Achieving the best result when handling orders

4.1 General

Formue, when handling client orders, shall take all sufficient steps to achieve the best possible result for the client with regards to price, costs, market influence, speed, probability of completion and settlement, size, characteristics of order and other relevant conditions. When deciding which of these factors should be given the most weight when executing a specific order,
client characteristics (non-professional/professional/eligible counterpart), the nature of the order, characteristics of the financial instruments included in the order and characteristics at the trading systems where the order is placed.

Formue treats the majority of clients as non-professional clients, which means, in accordance with the requirement for best results, that the order must be conveyed at the lowest possible cost for the client. By "cost" is meant direct costs and fees that are triggered by the placement of the order.

The best results for trades in funds are mainly about quick and efficient handling in accordance with the fund's cut-off times, including efficient settlement. Since a funds price is determined by the funds's net asset value (NAV) provided mostly once a day, best result is mainly dependent on following the cut-off time.

If the client has given specific instructions, such as order execution on the desired future date, the order must be communicated in accordance with this.

4.2 Measures to ensure the best result when trading in funds

Formue mainly handles orders in investment funds and alternative investment funds (collectively named Funds in this Policy). A collaboration has been established with Euroclear Bank SA as supplier of FundSettle. FundSettle is an Order-Routing-Platform with global reach and coverage for a wide range of fund providers. With this as a starting point, FundSettle is Formue's primary trading channel for Funds and some ETFs with associated order types (subscriptions, redemptions, switch). FundSettle gives Formue a single point of contact for order handling regardless of national borders and fund provider. FundSettle provides an automated trading process that minimizes the risk of errors in various parts of the trading process end to end. There are exceptions where orders are placed directly with the fund's manager or administrator.

Formue will always strive to achieve the most automated order handling possible by influencing fund providers to register their Funds on FundSettle, which in turn will provide the best results for the clients.

For other trading venues (Nordnet and DnB), each client individually approve the best execution terms set by the trading venue.

4.3 Measures to ensure the best result when trading in financial instruments other than Funds

In case that Formue handles other types of financial instruments than funds, the following principles apply:

- Formue Depot will handle orders for the client by mediating orders in other financial instruments to another investment firm with which Formue cooperates.

- Formue has standardized procedures for which orders should be placed with which firms. Formue shall not deviate from these procedures without the consent of the Approved Order Execution Manager or CEO.

- Formue does not charge fees for this type of mediation.

The Approved Order Execution Manager in Formue NO and CEO in Formue SE must assess whether the companies Formue transmits orders to have effective procedures, systems and arrangements that ensure that clients are guaranteed the best possible result when handling the order. As far as the mapping of which execution companies Formue is to place orders with Formue should obtain the execution company's routine for order handling (if relevant) and ensure that the company has effective procedures, systems and arrangements to ensure that clients are guaranteed the best possible result when handling orders. Securities firms with a license for order execution shall normally be considered to satisfy the requirements in point 4.1.

Formue can choose only one execution company for order execution for a financial instrument if Formue can demonstrate that it provides the best results for the client. Formue must nevertheless in any case assess whether there are other performing companies that will give the client a better result. In these assessments, Formue must take into account information published by executing companies about the quality of order execution.

Where a financial instrument is only listed on one trading venue, the best result assessment will depend on the conditions (price, speed, etc.) the executing company sets for order execution.

Trading outside a regulated marketplace requires the client's consent. Such consent can be given in a client agreement or in individual cases. Consent is deemed to exist where the client's order concerns a financial instrument that is not listed on a regulated market.

If Formue mediates orders in other types of financial instruments than Funds, Formue must keep an overview of the specific executing companies to which orders are communicated, sorted by category of financial instruments and investor type. Formue must at least once a year review the companies included in the list, assess the quality of order execution and revise the list and update the list if necessary.

5 Nominee function

5.1 General
Formue NO uses a nominee account for all Fund trading. All clients are assigned a holding account / securities account for the registration of all holdings that are conveyed through Formue NO. The client agrees that Formue NO can stand as a client of the management company and act as a legal representative for the client.

5.2 Order
Orders are traded at different frequencies, daily, weekly, monthly and quarterly. Assets have a deadline of 23.59 to ensure that an order is executed by the cut-off on the following day or the next possible cut-off time. No purchase order is executed until the client account has liquidity for the

specified purchase order. Settlement from redemption takes place as soon as settlement is received from the individual fund provider.
Some fund managers provide their direct clients with the opportunity of intraday switch between the fund managers' own funds. Clients cannot anticipate this opportunity unless explicitly confirmed by Formue.
Redemption can be carried out based on shares or in amounts. Redemption amounts can be a maximum of 80% (equities) and 90% (bonds) of the market value depending on the fund type.

Holdings for each fund provider are reconciled in full on a monthly basis with a subsequent annual audit of the share register carried out by Formue's external auditor PWC.

Cash and transactions on the client account are reconciled daily with a monthly follow-up to ensure that correct settlement is taken care of based on completed transactions.

5.3 Corporate actions

For AIFs, a number of capital calls and payments are carried out. Capital call and payments are distributed as soon as funds are received from the fund manager.

6 Reporting

6.1 Internal reporting

See point 7.

6.2 External reporting

The nominee function requires Formue NO to carry out annual tax reporting to the Norwegian, Swedish and Danish Tax Agency in line with current practice. Inventory reporting is done monthly via Client net and continuously on Client net and via the Formue app. Reporting on completed orders is done continuously through the publication of Transaction Receipts on Client net.

6.3 Deviation reporting

Deviations as a result of errors in processes and systems, in people or as a result of external factors and entailing financial consequences, must be reported. The same applies to errors without financial consequences, but which take at least one working day to correct. Incidents where personal information goes astray are also subject to reporting. The deviations are reported to Compliance & Risk as FORX - operational errors (see separate routine).

Errors in the order process must always follow the same practice, where the client is possibly compensated based on the rate the client should actually have been allocated.

7 Follow-up and control

Compliance & Risk will on a risk based basis assess Formue's systems, procedures, arrangements and guidelines for achieving the best results for clients in connection with order execution. Such an assessment must also be carried out when there are significant changes of importance to Formue's continued ability to achieve the best possible result for the client. Such assessments must be documented. Compliance & Risk must keep the general manager continuously updated with regard to whether Formue's routines for order execution are working as expected.

The Board is responsible for ensuring follow-up and control of compliance with this Policy.

8 Review and approval

This Policy shall be approved by the Board at least annually, even if no changes are implemented. The owner of this Policy is responsible for reviewing and updating this Policy at least annually. The owner may delegate the updating of the Policy, but remains ultimately responsible for the task.