

**INFORMATION OF THE TOP 5 VENUES AND THE QUALITY OF EXECUTION ACHIEVED**

**Top 5 markets where Intercapital Markets AD is a direct member**

**NON PROFESSIONAL CLIENTS**

Class of Instrument	Equities — Shares & Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XNCO/ NewConnect	63,65%	77,00%	0,00%	0,00%	100,00%
XBUL/ BSE SOFIA	18,88%	3,30%	41,23%	52,99%	5,78%
XWAR/ Warsaw Stock Exchange-Poland (EU)	17,47%	19,70%	0,00%	0,00%	100,00%

Class of Instrument	Debt instruments - bonds and money markets instruments				
Notification if < 1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XBUL/ BSE SOFIA	74,47%	75,00%	100,00%	0,00%	0,00%
XWAR/ Warsaw Stock Exchange-Poland (EU)	25,53%	25,00%	0,00%	0,00%	100,00%

**PROFESSIONAL CLIENTS**

Class of Instrument	Equities — Shares & Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XNCO/ NewConnect	54,11%	65,89%	0,00%	0,00%	100,00%
XBUL/ BSE SOFIA	24,76%	3,46%	52,63%	42,94%	4,43%
XWAR/ Warsaw Stock Exchange-Poland (EU)	21,13%	30,65%	0,69%	0,00%	99,31%

Class of Instrument	Debt instruments - bonds and money markets instruments				
Notification if < 1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XBUL/ BSE SOFIA	99,28%	85,71%	66,67%	33,33%	0,00%
XWAR/ Warsaw Stock Exchange-Poland (EU)	0,72%	14,29%	0,00%	0,00%	100,00%

**Top 5 brokers/banks to which Intercapital Markets AD has transmitted orders for execution**

**NON PROFESSIONAL CLIENTS**

Class of Instrument	Equities — Shares & Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
INTERACTIVE BROKERS LLC	95,35%	41,94%	0,00%	1,08%	98,92%
Virtu ITG Europe Limited	1,93%	20,65%	0,00%	0,00%	100,00%
EFG EUROBANK ERGASIAS S.A.	0,89%	0,45%	0,00%	0,00%	100,00%
VIRTU FINANCIAL IRELAND LIMITED	0,88%	13,92%	0,00%	0,47%	99,53%
VIRTU AMERICAS LLC	0,74%	22,33%	0,00%	0,00%	100,00%

Class of Instrument	Debt instruments - bonds and money markets instruments				
Notification if < 1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
INTERACTIVE BROKERS LLC	100,00%	100,00%	0,00%	0,00%	100,00%

Class of Instrument	Derivatives				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
INTERACTIVE BROKERS LLC	100,00%	100,00%	0,72%	0,92%	98,36%

**PROFESSIONAL CLIENTS**

Class of Instrument	Equities — Shares & Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
VIRTU AMERICAS LLC	32,19%	34,97%	0,97%	17,38%	81,66%
INTERACTIVE BROKERS LLC	28,08%	30,58%	0,00%	0,00%	100,00%
Virtu ITG Europe Limited	17,57%	13,60%	2,48%	8,51%	89,01%
VIRTU FINANCIAL IRELAND LIMITED	13,18%	20,21%	1,19%	8,83%	89,98%
EUROBANK EQUITIES INVESTMENT FIRM S.A.	4,92%	0,10%	0,00%	0,00%	100,00%

Class of Instrument	Debt instruments - bonds and money markets instruments				
Notification if < 1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
INTERACTIVE BROKERS LLC	100,00%	100,00%	0,00%	0,00%	100,00%

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Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
INTERACTIVE BROKERS LLC	100,00%	100,00%	0,11%	0,11%	99,78%

**Top 5 transactions including direct and indirect execution of orders**

**NON PROFESSIONAL CLIENTS**

Class of Instrument	Equities — Shares & Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Interactive/ Interactive	74,00%	3,19%	0,00%	1,23%	98,77%
XNCO/ NewConnect	13,93%	70,34%	0,00%	0,00%	100,00%
XBUL/ BSE SOFIA	4,13%	3,00%	41,23%	52,99%	5,78%
XWAR/ Warsaw Stock Exchange-Poland (EU)	3,82%	18,00%	0,00%	0,00%	100,00%
XIST/ Istanbul Stock Exchange	2,35%	1,79%	0,00%	0,00%	100,00%

Class of Instrument	Debt instruments - bonds and money markets instruments				
Notification if < 1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XPAR/ Euronext Paris	54,13%	27,27%	0,00%	0,00%	100,00%
Interactive/ Interactive	45,44%	54,55%	0,00%	0,00%	100,00%
XBUL/ BSE SOFIA	0,32%	13,64%	100,00%	0,00%	0,00%
XWAR/ Warsaw Stock Exchange-Poland (EU)	0,11%	4,55%	0,00%	0,00%	100,00%

Class of Instrument	Derivatives				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Interactive/ Interactive	100,00%	100,00%	0,72%	0,92%	98,36%

**PROFESSIONAL CLIENTS**

Class of Instrument	Equities — Shares & Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XNCO/ NewConnect	38,87%	54,98%	0,00%	0,00%	100,00%
XBUL/ BSE SOFIA	17,78%	2,88%	52,63%	42,94%	4,43%
XWAR/ Warsaw Stock Exchange-Poland (EU)	15,17%	25,57%	0,69%	0,00%	99,31%
XNAS/ Nasdaq	10,08%	6,01%	0,66%	13,96%	85,37%
XIST/ Istanbul Stock Exchange	6,77%	1,97%	0,00%	0,00%	100,00%

Class of Instrument	Debt instruments - bonds and money markets instruments				
Notification if < 1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XPAR/ Euronext Paris	46,09%	28,57%	0,00%	0,00%	100,00%
Interactive/ Interactive	40,84%	38,10%	0,00%	0,00%	100,00%
XBUL/ BSE SOFIA	12,97%	28,57%	66,67%	33,33%	0,00%
XWAR/ Warsaw Stock Exchange-Poland (EU)	0,09%	4,76%	0,00%	0,00%	100,00%

Class of Instrument	Derivatives				
Notification if < 1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Interactive/ Interactive	100,00%	100,00%	0,11%	0,11%	99,78%

## SUMMARY OF THE QUALITY OF EXECUTION OF CLIENTS ORDERS FOR ALL TYPES OF FINANCIAL INSTRUMENTS

This document is a summary of the information and conclusions that investment intermediary IP Intercapital Markets AD makes from its detailed monitoring of the quality of execution of all client orders for transactions in financial instruments for 2020, in accordance with the requirements of Regulation (EU) 2017/576 of the Commission of 8 June 2016.

Clients' orders are executed on a regulated and non-regulated market.

Clients' orders for transactions in shares, bonds, compensatory instruments and other financial instruments registered on a regulated market in Bulgaria are executed **directly** by IP Intercapital Markets on the Bulgarian Stock Exchange – Sofia AD.

Clients' orders for transactions in shares and rights therein registered on the Warsaw Stock Exchange, incl. the alternative trading system "New Connect", organized by the Warsaw Stock Exchange, are executed **directly** by IP Intercapital Markets.

Orders for financial instruments admitted to trading on a regulated market abroad are executed at the relevant trading venues **indirectly** by IP Intercapital Markets, and the Intermediary transmits execution of orders to its partners (brokers) who, directly or through another broker, are members of that market who have mechanisms, rules and procedures to ensure that IP Intercapital Markets fulfils its obligation to act in the best interests of the client when transmitting client orders for execution.

### ***1. Relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.***

The evaluation of the best execution of the client's orders is not only related to the determination of the best price for the client, but also to all the other factors below. If a transaction is found that was not been concluded at the best possible price available on the market at the time of its conclusion, this does not imply a breach of the requirements for best execution of the client's order. IP Intercapital Markets AD has fulfilled its obligation to act in the best interest of the client if it has made reasonable efforts to establish the best price for the client according to the following factors:

**1. Price** – the price of financial instruments is determined on the basis of the bids "buy" and "sell" and is influenced by the pricing process of the specific execution venue.

**2. Costs** – include all costs directly related to the execution of the order, namely: execution venue fees, clearing and settlement fees, as well as other fees/charges/charges payable to third parties for the execution of the order.

**3. Size and nature of the order** - the amount of financial instruments subject to the client order shall be directly relevant to all the factors listed in this Article.

**4. The speed of execution** – the interval of time from submission of a client order suitable for execution to the confirmation of its execution from the place of execution.

**5. Probability of execution and settlement** – the probability of an order being executed at a given execution venue is largely determined by the liquidity of the financial instruments subject to a client order at the relevant location. By 'probability of settlement', Intercapital Markets determines the risk of problem settlement in the transfer of financial instruments, which in turn may have an adverse effect on the supply or payment of financial instruments. The probability of execution and settlement shall be taken into account by the investment firm when choosing an execution venue when it has direct access to more than one such location, or when choosing a counterparty when transmitting an execution of order to its partners (brokers).

The IB has satisfied its obligation to act in the clients' best interest in order to obtain the best possible result for them when following specific instructions from the client at the execution of the order or transfers the execution of the order to a third party.

The criteria for determining the weight (the relative importance) of all the above factors used by the IB at the execution of clients' orders shall be:

- characteristics of the client (professional or nonprofessional);
- characteristics of the order;
- the characteristics of financial instruments that are the subject of that order;
- the characteristics of the execution venues to which that order can be

directed;

The weight of every factor and the methods for its determination in respect of orders by professional and nonprofessional clients shall be specified as follows:

- For the nonprofessional clients, the factors above are ranked respectively from most to least relative weight. The price is the most important element of the assessment for the best realization.

- For the professional clients the factors above are ranked respectively from most to least relative weight. In most cases, the price is the most important element of the assessment for the best realization. In some circumstances the IB may decide (depending on the specifics of the customer, the order and the instrument or the market) to adopt a different sequence of the factors of relative weight.

***2. A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.***

IP Intercapital Markets AD has no close links, conflicts of interest and common ownership in any of the venues or executing broker.

**3. Specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.**

IP Intercapital Markets AD has no special arrangements with the venues or executing broker regarding the payments made, received, received, discounted or received in cash.

**4. The factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred.**

No new factors have emerged in the period leading to a change in the list of venues, including in the policy of IP Intercapital Markets AD to work in the best interest and to achieve the best customer results.

**6. How order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements.**

All clients of Intercapital Markets AD are treated equally, regardless of their categorization.

**7. Whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client.**

IP Intercapital Markets AD did not use any other criterion for determining the best result for the reporting period, which was preferred over the immediate price of the instrument and the cost of executing the order.

**8. How IP Intercapital Markets AD has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575.**

IP Intercapital Markets AD used its own sources of information as well as external and independent market data.

**9. Where applicable, an explanation of how IP Intercapital Markets AD has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.**

IP Intercapital Markets AD does not use the services of a consolidated data provider.

April, 2021