ARCHAX

Best Execution and Order Handling Policy

September 2026



Table of Contents

1. Introduction and Purpose....4
2. Application....4
3. Best Execution - Multilateral Trading Facility (COBS 11.2A)....5
4. Cryptoasset Activities....6
5. Conclusion....9

1. Introduction and Purpose

Archax Ltd ("Archax") is committed to acting honestly, fairly, and professionally in the best interests of its clients when providing investment services. This policy outlines Archax's obligations under the FCA's Best Execution rules, as set out in the FCA Handbook COBS 11.2A, and details the steps taken to ensure that client orders are executed fairly and efficiently.

As a regulated entity operating an auction-based Multilateral Trading Facility (MTF) and broker, Archax has tailored its Best Execution framework to align with these activities, particularly in relation to order handling and the auction process.

Archax also conducts regulated cryptoasset activities under the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (the "Cryptoasset Regulations"). This Policy therefore has two limbs. Section 3 applies to Archax's MTF. Section 4 applies to Archax's cryptoasset activities and reflects the FCA's Cryptoasset sourcebook ("CRYPTO") and will come into effect from 25 October 2027.

2. Application

Section 3 of this Policy applies to the services provided by Archax as an MTF operator, ensuring compliance with MiFID II, MiFIR, and applicable regulatory technical standards (RTS). The policy governs the execution of all financial instruments for which Archax is authorised to operate a trading venue and applies in the following scenarios:

- When providing direct MTF access to signed-up members: Allowing them to participate in the auction process.
- When managing the execution of orders within the MTF's structured auction framework: Ensuring compliance with regulatory obligations regarding price formation and transparency.

For instruments traded on the MTF, Archax operates solely as a multilateral trading facility and does not act as a broker or provide Direct Electronic Access (DEA) services. It does not handle the reception or transmission of orders on behalf of clients. Instead, all participants are required to submit their orders directly to the MTF's order book within the designated auction window.

A cryptoasset that is itself a specified investment (a "specified investment cryptoasset", such as a tokenised share or debt security) is excluded from the definition of a qualifying cryptoasset. Instruments of that kind admitted to trading on the Archax MTF therefore remain within Section 3 of this Policy. Qualifying cryptoassets fall within Section 4.

Throughout Section 3, the following principles apply:

- Auction-Based Execution: Archax operates a non-discriminatory call auction mechanism, where orders are matched at a single equilibrium price determined at the close of each auction window. This ensures fair and transparent execution.
- No External Order Routing: As an MTF, Archax does not route orders to third-party venues, as execution occurs exclusively within its own trading system. In addition, financial instruments traded on the Archax MTF are exclusive to Archax and not traded elsewhere.
- No Discretionary Trading: Archax does not engage in discretionary order handling, trade selection, or order management on behalf of clients. All trading is initiated and executed by signed-up MTF members through the structured auction process in compliance with Article 18 of MiFID II, which governs non-discretionary MTF operations.
- Fair and Transparent Order Handling: All orders submitted to the MTF are processed in a transparent and impartial manner, adhering to a strict auction execution mechanism. This aligns with the best execution obligations.

Section 4 of this Policy applies to the activities carried out by Archax as a cryptoasset service provider, ensuring compliance with the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (the "Cryptoasset Regulations") and the Cryptoasset Sourcebook. It applies to
Archax's cryptoasset intermediary activities in qualifying cryptoassets. Depending on the client instruction and the execution model, Archax may act as agent, as matched principal, as principal otherwise than on a matched principal basis, or may receive and transmit a client order to another person for execution. Archax informs the client of the capacity in which it is acting before execution.
When acting as agent, Archax executes the client's order on the client's behalf using an approved execution venue or liquidity provider.

When acting as matched principal or principal otherwise than on a matched principal basis, Archax acts as counterparty to the client.

Where Archax receives and transmits an order, it passes the client's order to another person for execution rather than itself executing the transaction as agent or principal.

For matched principal and principal transactions, Archax may execute bilaterally on an OTC basis and source liquidity from approved third-party venues or liquidity providers. Where Archax acts as agent, it executes the client's order on the client's behalf through an approved execution venue or liquidity provider.

- Principal and matched principal execution: Archax faces the client as counterparty.

- Agency execution: Archax executes the transaction on behalf of the client and does not act as the client's principal counterparty.

- External execution: Archax selects and monitors the venues and liquidity providers used for agency execution, matched principal liquidity sourcing and, where applicable, transmitted orders.

Throughout Section 4, the following principles apply:

- Principal and Matched Principal Execution: Archax faces the client directly, as principal or on a matched principal basis. Where Archax acts as principal, it is itself the qualifying cryptoasset execution venue (CRYPTO 5.2.5G).

- External Liquidity Sourcing: For matched principal transactions, Archax sources corresponding liquidity from approved third-party venues or LPs. Where Archax deals as principal otherwise than on a matched principal basis, Archax may subsequently source liquidity or hedge its resulting position in accordance with its risk limits

- Price Verification: Where Archax provides a matched principal OTC quote, it checks the fairness of the proposed price against relevant market data and, where possible, comparable transactions. Where Archax acts as agent, venue selection and execution are assessed in accordance with the execution factors set out in Section 4. (CRYPTO 5.4.9R(4) and 5.4.40G).

3. Best Execution - Multilateral Trading Facility (COBS 11.2A)

As an MTF operator, Archax is required under COBS 11.2A and MiFID II to take all sufficient steps to ensure that the execution of orders on its platform achieves the best possible outcome for its participants. However, it is important to note that Archax does not act on behalf of clients and does not provide order routing, discretionary trading, or external execution services in its capacity as an MTF.

Execution Factors within the MTF Auction Model

Since Archax operates an auction-based MTF, execution is based on a call auction mechanism, meaning the following execution factors are applied:

- **Price**: Orders execute at a single equilibrium price, determined at the close of the auction window, maximising executable volume.
- **Costs**: As all transactions occur within the Archax MTF, there are no external execution venue costs.
- **Speed**: Execution takes place at a defined time at the close of the auction, ensuring pre-trade transparency and price discovery.
- **Likelihood of Execution and Settlement**: Orders are aggregated within the auction period, and pre-funded trading ensures finality of settlement.
- **Size and Nature of the Order**: All orders are matched according to the auction matching logic, ensuring fair execution.

4. Cryptoasset Activities

When dealing in qualifying cryptoassets as principal or as agent, or arranging deals in qualifying cryptoassets, Archax is required under CRYPTO 5 to take all sufficient steps to obtain the best possible result for its clients

CRYPTO 5 does not apply to eligible counterparty business (CRYPTO 5.1.4R). This exclusion is limited to CRYPTO 5. The transparency, record-keeping and client reporting requirements in CRYPTO 7 and CRYPTO 8 described in this Section have their own application provisions and contain no equivalent exclusion (CRYPTO 7.1.2R and 8.1.2R).

Qualifying Cryptoassets Archax May Deal In

Archax does not deal, or arrange deals, in a qualifying cryptoasset for a UK retail client unless that cryptoasset is admitted to trading on a retail UK QCATP in compliance with CRYPTO 3, the operator of that platform has made the qualifying cryptoasset disclosure document ("QCDD") available, and the cryptoasset has not been withdrawn from trading on all UK QCATPs (CRYPTO 5.3.2R). This restriction does not apply to UK qualifying stablecoins (CRYPTO 5.3.3R).

Where a qualifying cryptoasset has been withdrawn from trading on all retail UK QCATPs, Archax may still purchase it from a client, or arrange its sale to a person other than a UK retail client (CRYPTO 5.3.6R). Archax makes the QCDD, and any supplementary disclosure documents, available to the client before the transaction is initiated (CRYPTO 5.3.7R) and keeps written records of how it satisfies itself that it meets these requirements (CRYPTO 5.3.11R). Where Archax deals or arranges deals in a UK qualifying stablecoin, it makes the stablecoin QCDD available to the client before the transaction is initiated (CRYPTO 5.3.7R(2)).

Pre-trade Disclosure to Clients

Before executing a client order, Archax discloses the capacity in which it acts, including whether it acts as principal or on a matched principal basis (CRYPTO 5.5.1R and 5.5.2G). Where Archax deals as principal, including on a matched principal basis, for a retail or professional client, it discloses before execution a firm price, the period for which that price is available, and any fees or charges for execution (CRYPTO 5.5.7R). Where the client accepts within that period, Archax executes at that price or at a price more advantageous to the client (CRYPTO 5.5.8R). Where the price is no longer available because of exceptional circumstances, Archax informs the client and seeks fresh instructions (CRYPTO 5.5.9R). Archax also informs clients of the process for settlement and its associated risks (CRYPTO 5.5.11R). Where Archax arranges or otherwise brings about settlement, it aims to initiate final settlement within 24 hours of execution, having previously disclosed the nature of that service, and records this in accordance with COBS 8.1 for retail clients (CRYPTO 5.5.12G).

Execution Factors within OTC Trading

When executing client orders, whether as agent, matched principal or principal otherwise than on a matched principal basis, Archax considers the following execution factors (CRYPTO 5.4.1R):

- Price: Where Archax acts as agent, it considers the available execution opportunities when selecting the venue or liquidity provider through which to execute the client's order. Where Archax provides an OTC matched principal quote, it checks the fairness of the price using relevant market data and, where possible, comparable transactions. Each price quoted is checked for fairness against market data and, where available, at least three reliable price sources from UK qualifying cryptoasset execution venues (CRYPTO 5.4.9R(4) and 5.4.40G).
- Costs: For retail clients the best possible result is total consideration - the price together with all execution-related costs, including venue, gas and settlement fees (CRYPTO 5.4.10R). Archax's own commissions and costs are taken into account when comparing venues (CRYPTO 5.4.16R).
- Speed: Orders are executed promptly on receipt. Speed takes precedence over price only where it delivers a better total consideration when executing retail client orders (CRYPTO 5.4.12G).
- Likelihood of Execution and Settlement: Execution is conducted on a pre-funded basis, supporting certainty of settlement.
- Size and Nature of the Order: Relative importance is set by the client's categorisation, the characteristics of the client order, the cryptoasset, and the venues available (CRYPTO 5.4.9R(1)). Archax's Order Execution Policy records the relative importance assigned to these factors, or the process by which Archax determines it (CRYPTO 5.4.28G).
- Specific Instructions: Where a client gives a specific instruction, Archax executes the order following that instruction, and warns the client that doing so may prevent Archax from obtaining the best possible result in respect of the elements covered by it (CRYPTO 5.4.13R and 5.4.27R(3)(f)).

Execution Arrangements

- Execution venues: For retail and elective professional clients within the scope of CRYPTO 5.2, Archax ensures that client orders are executed on a UK qualifying cryptoasset execution venue. This applies where Archax executes an order as agent and where it receives and transmits an order for execution. Where Archax acts on a matched principal basis, Archax is not itself treated as the qualifying cryptoasset execution venue. Where Archax acts as principal otherwise than on a matched principal basis, Archax is itself treated as the qualifying cryptoasset execution venue. Archax maintains records demonstrating compliance with these requirements (CRYPTO 5.2.7R).
- Where Archax acts as principal, it does not systematically or predominantly source liquidity from a QCATP whose operator is both unauthorised as a UK QCATP operator and in the same group as Archax (CRYPTO 5.2.6R).
- Order Execution Policy: Archax's Order Execution Policy identifies the venues used for each class of qualifying cryptoassets, the factors affecting the selection of venue, and is made readily available to clients (CRYPTO 5.4.22R to 5.4.24R). Clients give prior consent, and express consent to any execution outside a UK QCATP (CRYPTO 5.4.25R and 5.4.26R). Retail clients receive a summary focused on the total cost they incur (CRYPTO 5.4.27R(9)). The policy is reviewed at least annually and on material change, and clients are notified of material changes (CRYPTO 5.4.27R(1) and 5.4.33R(3)). Where Archax places significant reliance on a single venue for a group of qualifying cryptoassets, it is able to show, supported by relevant data or internal analysis, that this delivers the best possible result on a consistent basis (CRYPTO 5.4.31G).
- Transmitted orders: Where Archax receives a client order and transmits that order to another person for execution, rather than executing the transaction itself as agent or principal, Archax will comply with CRYPTO 5.4.37R. Archax will take all sufficient steps to obtain the best possible result for the client, maintain appropriate arrangements identifying the entities to which orders may be transmitted, monitor the effectiveness and execution quality of those arrangements and provide clients with the information required by CRYPTO 5.4.37R.

- Order handling: Orders are handled promptly, fairly, and expeditiously - recorded accurately and carried out sequentially in the order received, unless the characteristics of the order or market conditions make this impracticable; retail clients are informed promptly of any material difficulty (CRYPTO 5.6.1R and 5.6.2R). Archax does not aggregate client orders. Archax does not misuse information relating to pending client orders and takes all reasonable steps to prevent its misuse by relevant persons (CRYPTO 5.6.4R).
- Conflicts and inducements: Archax receives no remuneration, discount or non-monetary benefit for routing orders to a particular venue and does not enter into payment for order flow (CRYPTO 5.4.20R). Functional separation is maintained between proprietary trading and client execution (CRYPTO 5.7.5G and SYSC 10). Personal account dealing by relevant persons is governed by the Personal Account Dealing Policy and Procedures in the Archax Compliance Manual, which meets the requirements of CRYPTO 5.8.

Transparency, Monitoring and Records

- Transparency: Archax ordinarily executes client transactions on a matched principal basis. Where Archax executes a transaction as principal otherwise than on a matched principal basis, Archax complies with the applicable post-trade transparency requirements in CRYPTO 7.3. Reportable transactions are published on a publicly accessible section of the Archax website as close to real time as technically possible and no later than one minute after execution. The published information includes the fields required under CRYPTO 7.3.4R and is made freely available in a machine-readable format.
- Agency execution and the receipt and transmission of orders do not, of themselves, make Archax a transparency crypto intermediary. Where an agency or transmitted order is executed on a UK QCATP, the applicable venue transparency requirements apply.
- Pre-trade requirements apply only to large CATP operators and do not apply to Archax (CRYPTO 7.2.1R). The information required to be published (CRYPTO 7.3.3R and 7.3.4R), and access to it (CRYPTO 7.3.5R(1)(b)) is therefore not applicable. For any determination Archax is required to make under CRYPTO 7 this is recorded for at least five years (CRYPTO 7.4.1R and 7.4.2R).
- Monitoring: Compliance monitors the effectiveness of Archax's execution arrangements and order execution policy, assesses on a regular basis whether the venues used deliver the best possible result, and reports findings to senior management (CRYPTO 5.4.33R). Archax can demonstrate to a client, on request, that orders were executed in accordance with the policy, and to the FCA, on request, its compliance with CRYPTO 5.4.1R (CRYPTO 5.4.34R).
- Client reporting: UK clients receive execution confirmations promptly and at least by the end of the day of execution, and confirmation of any cancellation and the reason for it (CRYPTO 8.3.1R and 8.3.4R). A client may request the same information for the preceding three years at any time (CRYPTO 8.3.5R). Each report contains the essential information required by CRYPTO 8.3.6R, including the identifiers used by Archax, the client and the execution venue, the digital token identifier, a buy or sell indicator, the date and time of execution, the quantity, the unit and total price, all costs and charges incurred, the total consideration and any specific instructions given by the client. Where that information is readily available on-chain it may be omitted, provided Archax ensures the client is able to access it (CRYPTO 8.3.7R). The three-year lookback is provided in a durable medium, or by digital medium in accordance with the website conditions (CRYPTO 8.3.5R(3)).
- Records: Order and transaction records are kept in the form required by CRYPTO 8.2.1R for five years (CRYPTO 8.2.8R(2)). Records evidencing compliance with CRYPTO 5 are kept for five years, or up to seven years where the FCA so requests and provided to the FCA on request (CRYPTO 5.9.1R and 5.9.2R). Archax records the person responsible for each order and unique identifiers for the seller,

buyer and decision maker (CRYPTO 8.2.2R to 8.2.7R), stored so that each stage of a transaction, including settlement, can be reconstituted (CRYPTO 8.2.9G).

5. Conclusion

Section 3 of this Policy addresses Archax's MTF and Section 4 addresses Archax's cryptoasset activities. Section 4 takes effect on 25 October 2027, when the FCA's Cryptoasset sourcebook comes into force.