

Excerpt from ‘Brokerage Allocation Policy for Equity Securities-Related Assets’ as of June 30, 2020

The English version of this policy is for information purposes only. In case of discrepancies between the Korean and the English text, the Korean text shall prevail.

Purpose

Purpose of this rule is to set forth the terms and conditions for broker selection and trade order allocation in collective investment schemes in accordance with the Internal Control Policy.

Principle

Broker selection and trade order allocation shall be decided based on the level of profit contribution to collective investment schemes. Broker evaluation is conducted every three months.

Criteria	Profit contribution (85%)			Other contribution (15%)
	Comprehensive assessment	Research and analytical support		
Evaluated by	CIO of Equity and Fixed Income	Portfolio Management Teams	Research Team	
Weights	5%	50%	30%	

Trade order allocation

Ranks	Grade	# of brokers	Trade order allocation
Top 3 brokers	S	3	Max 50% in total
4 th ~ 8 th	A	5	Max 30%
9 th ~ 15 th	B	7	Max 30%
16 th ~ 24 th	C	9	Max 30%

Commission

Without any reasonable cause, the commissions shall not be vary depending on different types of collective investment schemes or brokers.