



**EDMOND
DE ROTHSCHILD**

ORDER EXECUTION AND FINANCIAL INTERMEDIARY SELECTION POLICY

EDMOND DE ROTHSCHILD

APRIL 2021

Principles of order execution and financial intermediary selection policy were validated by the Executive Committee of EdR (Europe) on May 11th 2021 and by the Board of Director of EdR (Europe) on May 21th 2021.

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1. PURPOSE

This order execution and financial intermediary selection policy (hereinafter the "Order Execution and Financial Intermediary Selection Policy" or the "Policy") applies when executing orders that the Edmond de Rothschild Group's banks listed below (hereinafter the "Banks") may be required to process on behalf of their Clients, whether or not they are professional clients (hereinafter the "Clients"). These Banks are :

- ▶ Edmond de Rothschild (Suisse) S.A. ;
- ▶ Edmond de Rothschild (Europe) and its branches ;
- ▶ Edmond de Rothschild (France) ;
- ▶ Edmond de Rothschild (Monaco).

This Policy describes all the reasonable measures implemented by the Banks to provide their Clients with the best possible result when executing orders, in compliance with their legal and regulatory obligations.

2. GENERAL APPROACH

Except in the cases set out in paragraph 5, each aforementioned Bank (hereinafter the "Bank") applies this Policy :

- for the reception and transmission of orders (RTO) from Clients on financial instruments to carefully selected financial intermediaries in accordance with paragraph 3 ;
- for the execution of Clients' orders regarding financial instruments on a trading venue or via direct market access (DMA) granted by a financial intermediary subject to pre-defined size and liquidity criteria.

In addition, certain Client orders on financial instruments may be executed against the Bank's own account.

The financial instruments and transactions covered are :

- shares and other similar securities (this category includes shares, share warrants and exchange-traded products such as ETFs) ;
- listed and OTC derivatives (including Total Return Swaps (TRS)) ;
- debt instruments (corporate bonds, convertible bonds, sovereign bonds, etc.), money market instruments (such as treasury bills, certificates of deposit, etc.), foreign exchange instruments (excluding cash foreign exchange transactions that are not considered financial instruments, see paragraph 5) ;
- structured products ;
- shares of collective investments (shares in unlisted funds)

The Bank ensures that Clients achieve the best possible result by taking into account the total cost factor or, where appropriate, other factors, detailed below in paragraph 4, which depend on the characteristics of the order or the financial instrument. It is not possible to apply a uniform approach given the differences in the organisation of markets and the structure of financial instruments.

The Bank informs retail clients of any serious difficulty likely to influence the proper execution of orders as soon as it becomes aware of such difficulty.

3. FINANCIAL INTERMEDIARY SELECTION POLICY

In general, the Bank has put in place a procedure for selecting brokers and counterparties, the "Intermediaries", to which it transmits orders on behalf of Clients or with which it executes such orders. When the Bank's role concerns the reception and transmission of orders (RTO), the Financial Intermediary Selection Policy aims to retain the market intermediaries that will ensure the best possible result when executing orders.

The Bank has put in place market intermediary acceptance and monitoring procedures to regularly assess the effectiveness of this selection policy and, in particular, the quality of execution of the selected entities. It carefully monitors the selected intermediaries throughout the relationship :

- Onboarding: each new relationship with a new market intermediary is subject to a specific review by both the operational and control functions (compliance, risk, legal) ;
- Monitoring of services: intermediaries' services are analysed on an ongoing basis, based on statistical data and regular reviews. Market intermediaries are subject to a formal objective annual assessment by all parties involved in order execution (traders, middle and back office). A Market Intermediaries Committee meets at least once a year to validate the list of intermediaries with which the Bank is authorised to trade ;
- End of relationship: in the event of shortcomings in the service, market intermediaries may be subject to special monitoring or removed from the Bank's execution systems.

The main factors the Bank takes into account to select a market intermediary are :

- the existence of a best execution policy, and in particular its suitability in terms of (i) the Bank's execution policy and/or the execution processes applied and (ii) the applicable regulatory framework, particularly for intermediaries located outside the European Union ;
- its geographical coverage and access to execution venues (organised, regulated and OTC markets or multilateral trading facilities (MTFs)) ;
- the execution price obtained, in particular with regard to transaction cost analysis alerts ;

- the intermediation cost ;
- the quality of business and operational monitoring, including transaction confirmation and reconciliation services and the scope of ancillary services ;
- the entity's financial strength ;
- any other consideration likely to influence the quality of execution of the order or its post-trade monitoring (third party expertise, liquidity offered, responsiveness, quality of settlement/delivery service, etc.).

In the case of the transmission of an order on a financial instrument that does not require the selection of an execution venue or the selection of a market intermediary, in particular for primary market transactions, the best possible result will be considered to be systematically obtained.

As a general rule, this Financial Intermediary Selection Policy applies to all transactions on financial instruments other than the exceptions set out in paragraph 5.

4. ORDER EXECUTION

Through its selection policy, the Bank ensures it has access to any listing location likely to provide the best execution of orders. The Bank processes its Clients' orders (on regulated or OTC markets) with intermediaries (via multilateral trading systems, DMA, systematic internalisers, market makers or other liquidity providers).

The Bank also processes orders on its own account. These orders concern certain cash or OTC derivatives transactions.

Appendices 1, 2 and 3 describe the specific organisation in place at each Bank for the processing of Client orders.

Generally, the Bank determines the best possible result for Clients on the basis of the total cost factor, representing the price of the financial instrument plus the costs related to the execution of the order, including venue-specific fees, clearing and settlement fees and any other fees that may have been paid to third parties involved in the execution of the order.

However, the Bank may also consider other factors, namely :

- price, regardless of the associated costs ;
- timeliness ;
- the likelihood of execution and settlement ;
- liquidity and brokers' specialisation in particular segments (high yield, emerging countries, sectors, maturities, etc.) ;
- Clients' specified preferences for certain clearly identified brokers ;
- any other consideration relevant to the execution of the order, such as the use of qualitative factors.

The Bank will determine the relative importance of these execution factors based on :

- the characteristics of the Clients, including their classification as retail or professional clients; the intrinsic characteristics of the order, in particular the volume requested or the financial instrument concerned may limit the execution venues to which this order may be routed ;
- any other relevant criteria.

Unless otherwise instructed by Clients, the Bank may, however, decide to execute orders over-the-counter, as mentioned in its client documentation. In this case, the Clients are exposed to and incur counterparty risk because default by a counterparty would result in the loss, for Clients, of the full potential profit (either on the capital invested if payment is made before the security is delivered, or on the market spread in the event of simultaneous payment and delivery of securities against payment). In addition, in the event that a Client becomes debtor with respect to the counterparty, the counterparty's default may also lead to the payment of the sums due required by the liquidator. The highest counterparty risk in an OTC market relates to transactions where the payment to the counterparty precedes the delivery, outside the scope of a margin call agreement: the risk then relates to all the capital invested (e.g. in the case of investments in hedge funds, or in some IPOs). However, to limit counterparty risk on swaps in particular, the Legal Department uses ISDA agreements and CSA (collateral security agreements) with the intermediaries concerned, which determine the amount of collateral to be transferred.

On regulated markets, this risk is mitigated by clearing houses, which intervene between the buyer and seller by novation. In the event of default by one of the parties to the transaction, the clearing house (e.g. LCH Clearnet) is responsible for settling the transaction with the other party. The clearing house manages its risk through multilateral cash flow clearing systems and determines the cleared balance to be received or delivered by each member. As such, the clearing house incurs and manages the counterparty risk.

5. CASES WHEN THIS POLICY DOES NOT APPLY

- ▶ Clients may give specific instructions regarding the execution of their orders. If specific instructions are provided, the Bank may disregard the measures provided for in the Policy with respect to the items covered by these instructions. The Bank is then released from its obligation to obtain the best result for the factors covered by the specific instructions given by the Client, who therefore bears all risks relating thereto without further notice from the Bank.
- ▶ Spot foreign exchange transactions and transactions in physical precious metals that are not financial instruments are not covered by this Policy.

- ▶ Complex instruments: in the case of a transaction involving a structured or complex product, issued by the Bank and traded over-the-counter with a Client, the Bank does not apply the Policy given that the factors and criteria as defined above must be adapted to the context and type of instrument concerned. Therefore, the price proposed by the Bank takes into account the costs related to their economic model, including the costs of setting up sales and monitoring processes, hedging costs related to this transaction and the cost of capital used for this transaction, including credit risk.
- ▶ Force majeure clause and safeguard clause: an extraordinary event or circumstance beyond the reasonable control of the Bank, such as a stock market crash, an act of war or terrorism, a labour dispute, a disaster, an interruption or breakdown of electricity grids or communications systems, or any unlawful or illegal activity carried out by a third party (e.g. computer virus or hacking, market manipulation, insider dealing) affecting the provisions for the processing and execution of orders with temporary or permanent effect and/or any other unforeseen circumstances making it difficult or impossible for the Bank to obtain the best possible result for the order placed by the Client, who therefore bears all the related risks without further notice from the Bank.
- ▶ Unwinding of a Client's position: where the Bank is required or entitled to unwind a Client's position due to, for example, non-compliance with a contractual obligation towards the Bank (under its General Terms and Conditions or other contractual documents for example), the Client's interest in obtaining the best possible execution of an order may be in conflict with the Bank's legitimate interest, in which case the Bank must weigh these interests and, after analysis, may decide that, in the light of the various factors taken into account, the Bank's legitimate interest prevails.

6. GROUPING OF ORDERS AND PARTIAL EXECUTION

In accordance with the regulations, the Bank may be required to group the orders of its Clients when the conditions provided for by the regulations are met. Grouping orders can have a detrimental effect on the execution price compared to an individually executed order.

In this regard, the Bank applies a grouped order distribution policy that provides for the fair distribution of partial executions, in accordance with the following main principles :

- It is unlikely that the grouping of orders and transactions will work globally to the disadvantage of a Client whose order must be grouped ;
- When executed, the grouped orders are fairly distributed, taking into account the size of the order and the price of the orders executed ;
- Clients whose orders are grouped will be treated in a non-discriminatory manner.

In addition, market liquidity conditions or the guarantee of the Client's interest may not allow the execution of the Client's order, either immediately or in a single transaction. For example, transactions involving financial instruments where trading volumes are limited may cause market prices to fluctuate, to the detriment of the Client's interests. In these circumstances, a series of partial executions over time is likely to provide a better overall result than executing a single transaction.

7. INCENTIVES

When executing Client orders, the Bank receives no remuneration, discount or non-monetary benefit for routing orders to a particular execution venue or financial intermediary that would be in violation of conflict of interest requirements.

8. BEST EFFORTS OBLIGATION

The Bank shall take all reasonable steps to allow the implementation of the Policy. This provision cannot constitute a performance obligation applicable individually to each order or applicable order by order. The Bank's obligation under the Policy is a best efforts obligation under which the Bank must ensure that the appropriate execution or selection mechanisms are effectively put in place for the processing of orders as a whole.

Its trading activity remains subject to changes in market conditions at the time of its intervention.

9. INFORMATION ON REGULATORY REPORTING

In accordance with the applicable regulatory provisions, the Bank may be required to publish each year on its website (www.edmond-de-rothschild.com) a list of the top five execution venues/market intermediaries used over the past year (by volume of orders executed for Clients). This information must be provided separately for professional and retail Clients and it must follow a pre-defined format covering each category of financial instruments.

Similarly, for activities for which the Bank is declared to the financial authorities as a systematic internaliser, the Bank publishes the list of transactions concerned on its website in a pre-defined format every quarter.

10. MONITORING THE EFFECTIVENESS OF THE EXECUTION PROCESS AND UPDATING THIS POLICY

The Bank maintains a monitoring and control system to ensure compliance with this Policy.

Controls of first level, governed by regularly reviewed procedures, are implemented at the trading room level to ensure compliance with best execution for Clients.

Controls of second level are carried out by internal control to ensure the relevance and operational effectiveness of these controls. In particular, the Bank has put in place a Transaction Cost Analysis tool that automatically filters executions carried out according to settings aligned with the execution strategies implemented.

The Bank also regularly assesses this Policy and its specific order execution provisions as described in **Appendices 1, 2 and 3** of this Policy, at least once a year.

This review is also required whenever a significant change (such as, for example, in the event of client complaints revealing a major malfunction) affects the Bank's ability to continue to obtain the best possible result in executing its Clients' orders by making use of the venues and financial intermediaries selected in accordance with the procedures described in paragraph 5.

When the Bank's assessment of these significant changes reveals that the best possible result has not been obtained for the Clients, it will consider modifying the relative importance of the execution factors with the overall objective of always obtaining the best execution possible, or, if necessary, it will review its relationship with the venue or the financial intermediary in question.

This Policy is subject to change at any time without notice. It may be consulted at any time on the Bank's website.

APPENDIX 1: SPECIFIC FEATURES OF EACH BANK IN ORGANISING THE PROCESSING OF CLIENT ORDERS

Edmond de Rothschild (Suisse) S.A. has organised the execution of its Clients' orders as follows :

- ▶ Recourse to Edmond de Rothschild (Europe) for the subscription and redemption of investment fund units ;
- ▶ Recourse to Edmond de Rothschild (France) for the execution of financial instruments on regulated markets and over-the-counter markets only for Group funds with an ISDA agreement (see the Edmond de Rothschild (France) execution matrix for each category of financial instrument provided in Appendix 2) ;
- ▶ Direct execution by Edmond de Rothschild (Suisse) S.A. of foreign exchange transactions (FX) and other OTC derivatives.

Edmond de Rothschild (France) has organised the execution of its Clients' orders as follows (the Edmond de Rothschild (France) execution matrix for each category of financial instruments is detailed in Appendix 2) :

- ▶ Execution of Client orders on financial instruments on regulated markets and over-the-counter ;
- ▶ Transmission of orders to an intermediary or processing via a trading venue ;
- ▶ As a systematic internaliser, execution of certain types of Client forward foreign exchange orders (deliverable forwards, non-deliverable forwards, deliverable currency swaps) as counterparty on its own account ;
- ▶ Direct execution by Edmond de Rothschild (France) for the subscription and redemption of investment fund units.

Edmond de Rothschild (Europe) has organised the execution of its Clients' orders as follows :

- ▶ Recourse to Edmond de Rothschild (Suisse) S.A. for foreign exchange transactions (FX) and structured products traded on the primary market ;
- ▶ Recourse to Edmond de Rothschild (France) to execute financial instruments on regulated and over-the-counter markets with the exception of foreign exchange (FX) instruments and structured products traded on the primary market (see the Edmond de Rothschild (France) execution matrix for each category of financial instruments detailed in Appendix 2) ;
- ▶ Direct execution by Edmond de Rothschild (Europe) for the subscription and redemption of investment fund units.

Edmond de Rothschild (Monaco) has organised the execution of its Clients' orders as follows (the Edmond de Rothschild (Monaco) execution matrix for each category of financial instruments is detailed in Appendix 3) :

- ▶ Execution of Client orders on financial instruments on regulated markets and over-the-counter ;
- ▶ Transmission of orders to an intermediary or processing via a trading venue ;
- ▶ Direct execution of foreign exchange (FX) transactions by Edmond de Rothschild (Monaco), recourse to Edmond de Rothschild (Suisse) S.A. for hedging transactions ;
- ▶ Direct execution by Edmond de Rothschild (Monaco) for the subscription and redemption of investment fund units.

APPENDIX 2 : EXECUTION MATRIX BY CATEGORY OF FINANCIAL INSTRUMENTS – EDMOND DE ROTHSCHILD (FRANCE)

Financial instruments/transactions	Type of execution venue(s) (*)	Strategy to obtain best execution and selection of intermediaries	Factors and Criteria used/prioritised
<p>Equities and similar instruments, including certain warrants, certificates and listed index products such as ETFs</p>	<ul style="list-style-type: none"> • Regulated markets, mainly: Nyse Euronext, Nasdaq OMX, Hong Kong Stock Exchange, London Stock Exchange, Deutsche Börse Xetra, Borsa Italia, Wiener Börse, Athens Stock Exchange, Madrid Stock Exchange, Irish Stock Exchange, SIX Swiss Exchange, Johannesburg Stock Exchange, Mexico Stock Exchange, Toronto Stock Exchange, Borsa Istanbul, Tel Aviv Exchange, Shanghai Exchange, Shenzen Exchange, Luxembourg Exchange, Oslo Exchange, Moscow Exchange, Prague Stock Exchange, Warsaw Stock Exchange, Budapest Stock Exchange, Hungary Stock Exchange, Tokyo Stock Exchange, Australian Securities, NSE India, SGX, Korean Exchange, Taiwan Exchange, Indonesia Stock Exchange, Thailand Stock Exchange, Philippine Exchange, Bursa Malaysia • Multilateral trading facilities (MTFs): BATS, CHI-X, Turquoise, AQUIS, Burgundy, Nordic MTF, Quote, TOM, etc. • Market makers • The financial intermediary’s internal liquidity sources (including systematic internalisation) • Other sources of liquidity (for example: tenders with authorised counterparties, dark pool MTFs, dark pool brokers, etc.). 	<p>The Bank generally transmits orders from professional and retail clients to market intermediaries.</p> <p>However, the Bank may also use an intermediary’s direct market access.</p> <p>Calls for tenders for listed index products in some cases when the market is not sufficiently developed.</p>	<ul style="list-style-type: none"> • Large caps : <ul style="list-style-type: none"> - Price - Order size - Timeliness • Mid-caps : <ul style="list-style-type: none"> - Price - Order size • Small Caps & Emerging Markets : <ul style="list-style-type: none"> - Price - Likelihood of execution and settlement - Order size - Market impact linked to lack of liquidity

Financial instruments/transactions	Type of execution venue(s) (*)	Strategy to obtain best execution and selection of intermediaries	Factors and Criteria used/prioritised
Debt instruments (corporate or government bonds, negotiable debt securities, etc.)	<ul style="list-style-type: none"> Regulated markets, mainly: Nyse Euronext, Nasdaq OMX, Hong Kong Stock Exchange, London Stock Exchange, Deutsche Börse Xetra, Borsa Italia, Wiener Börse, Luxembourg Stock Exchange, Virt X, SIX Swiss Exchange Market makers The financial intermediary's internal liquidity sources (including systematic internalisation) Other sources of liquidity 	<p>The Bank processes orders from its professional and retail clients on regulated markets, over-the-counter or on authorised venues, via authorised market intermediaries (usually with calls for tenders or RFQs).</p>	<ul style="list-style-type: none"> Bonds: <ul style="list-style-type: none"> Likelihood of execution and settlement Liquidity Price Negotiable debt securities: <ul style="list-style-type: none"> Timeliness Price NEU CP: <ul style="list-style-type: none"> Liquidity Order size Price
OTC forward foreign exchange instruments	<p>As a systematic internaliser for certain types of Client forward foreign exchange orders (deliverable forwards, non-deliverable forwards, deliverable currency swaps), acting as counterparty on its own account.</p>	<p>Almost all executions on OTC forward currency instruments are carried out against the Bank's own account.</p>	<p>The main execution factor is the price by reference to the market price. However, other factors have an influence, especially timeliness.</p>
Derivatives (including listed currency derivatives – options and futures, OTC derivatives (swaps, CDS, TRS) and convertible bonds	<ul style="list-style-type: none"> Regulated markets, mainly: CBOT, CME, ICE, Euronext Paris, EUREX, MEFF, LIFFE, HKFE, OSE, SGX, DT Market makers The financial intermediary's internal liquidity sources (including systematic internalisation) Specifically for OTC derivatives outside the currency market (swaps, credit default swaps (CDS), CDS options, interest rate swaps (IRS) and total return swaps (TRS)): orders are mainly processed by the Bloomberg IB Chat service via calls for tenders with authorised counterparties Other sources of liquidity 	<p>Transmission of orders to an intermediary or processing via a trading venue. Shares and listed derivatives may also be subject to the trading obligation. Where this trading obligation applies, the Bank applies the Policy to the order, taking into account only authorised execution venues. The Bank will not accept any specific instructions that breach the trading obligation when it applies.</p> <p>For OTC executions, a call for tenders is systematically made with several counterparties.</p>	<p>For listed derivatives (futures and options), the priority factor is generally the timeliness of execution.</p> <p>For OTC derivatives (swaps, credit default swaps (CDS), CDS options, interest rate swaps (IRS) and total return swaps (TRS), the priority factors are generally the price and the likelihood of execution and settlement.</p>

Financial instruments/transactions	Type of execution venue(s) (*)	Strategy to obtain best execution and selection of intermediaries	Factors and Criteria used/prioritised
Units or shares of collective investment undertakings (excluding listed markets)	N/A	<p>The Bank sends orders to the UCI's centralising agent designated in the fund's prospectus, subject to the Client's compliance with the terms and conditions set out in the agreement and the prospectus.</p> <p>Orders are therefore received and executed at the next net asset value, in compliance with cut-off times and according to the terms of the prospectus (or equivalent document), upon reasonable notice given to the Bank.</p>	Likelihood of execution.
Structured products (secondary market)	Structured products can take several forms: Warrants, Certificates or EMTNs. EdR France has acted as a systematic internaliser on these products since May 2020.	The Bank addresses the issuer of the product (for OTC products) or a selected intermediary/broker (where the instrument is listed). When acting as a systematic internaliser, the Bank processes orders against its own account.	For listed structured instruments, the main criterion is timeliness of execution. For unlisted instruments, EdR France addresses the issuer.

* This list is not exhaustive and other execution venues may be used, especially temporarily in compliance with the obligation of best execution/selection, or to meet a specific instruction from a Client.

APPENDIX 3 : EXECUTION MATRIX BY CATEGORY OF FINANCIAL INSTRUMENTS – EDMOND DE ROTHSCHILD (MONACO)

Financial instruments/transactions	Type of execution venue(s) (*)	Strategy to obtain best execution and selection of intermediaries	Factors and Criteria used/prioritised
<p>Equities and similar instruments, including certain warrants, certificates and listed index products such as ETFs</p>	<ul style="list-style-type: none"> • Regulated markets, mainly: Nyse, Euronext, Nasdaq OMX, Hong Kong Stock Exchange, London Stock Exchange, Deutsche Börse Xetra, Borsa Italia, Wiener Börse, Athens Stock Exchange, Madrid Stock Exchange, Irish Stock Exchange, SIX Swiss Exchange, Johannesburg Stock Exchange, Mexico Stock Exchange, Toronto Stock Exchange, Luxembourg Exchange, Oslo Exchange, Copenhagen Stock Exchange, Stockholmsbörsen, Helsinki Stock Exchange, Warsaw Stock Exchange, Tokyo Stock Exchange, Australian Securities, SGX, Korean Exchange, Taiwan Exchange. • Market makers • The financial intermediary's internal liquidity sources (including systematic internalisation) • Other sources of liquidity (for example: tenders with authorised counterparties, dark pool MTFs, dark pool brokers, etc.). 	<p>The Bank generally transmits orders from professional and retail clients to market intermediaries.</p> <p>However, the Bank may also use an intermediary's direct market access.</p> <p>Calls for tenders for listed index products in some cases when the market is not sufficiently developed.</p>	<ul style="list-style-type: none"> • Large caps: <ul style="list-style-type: none"> - Price - Order size - Timeliness • Mid-caps: <ul style="list-style-type: none"> - Price - Order size • Small Caps & Emerging Markets: <ul style="list-style-type: none"> - Price - Likelihood of execution and settlement - Order size - Market impact linked to lack of liquidity

Financial instruments/transactions	Type of execution venue(s) (*)	Strategy to obtain best execution and selection of intermediaries	Factors and Criteria used/prioritised
Debt instruments (corporate or government bonds, negotiable debt securities, etc.)	<ul style="list-style-type: none"> Regulated markets, mainly: Nyse Euronext, Nasdaq OMX, Hong Kong Stock Exchange, London Stock Exchange, Deutsche Börse Xetra, Borsa Italia, Wiener Börse, Luxembourg Stock Exchange, Virt X, SIX Swiss Exchange Market makers The financial intermediary's internal liquidity sources (including systematic internalisation) Other sources of liquidity 	<p>The Bank processes orders from its professional and retail clients on regulated markets, over-the-counter or on authorised venues, via authorised market intermediaries (usually with calls for tenders or RFQs).</p>	<ul style="list-style-type: none"> Bonds: <ul style="list-style-type: none"> - Likelihood of execution and settlement - Liquidity - Price Negotiable debt securities: <ul style="list-style-type: none"> - Timeliness - Price NEU CP: <ul style="list-style-type: none"> - Liquidity - Order size - Price
OTC forward foreign exchange instruments	<p>As a systematic internaliser for certain types of Client forward foreign exchange orders (deliverable forwards, non-deliverable forwards, deliverable currency swaps), acting as counterparty on its own account.</p>	<p>Almost all executions on OTC forward currency instruments are carried out against the Bank's own account.</p>	<p>The main execution factor is the price by reference to the market price. However, other factors have an influence, especially timeliness.</p>
Derivatives (including listed currency derivatives - options and futures, OTC derivatives and convertible bonds)	<ul style="list-style-type: none"> Regulated markets, mainly: CBOT, CME, ICE, Euronext Paris, EUREX, MEFF, LIFFE, HKFE, OSE, SGX, DT Market makers The financial intermediary's internal liquidity sources (including systematic internalisation) Other sources of liquidity 	<p>Transmission of orders to an intermediary or processing via a trading venue. Shares and listed derivatives may also be subject to the trading obligation. Where this trading obligation applies, the Bank applies the Policy to the order, taking into account only authorised execution venues. The Bank will not accept any specific instructions that breach the trading obligation when it applies.</p> <p>For OTC executions, a call for tenders is systematically made with several counterparties.</p>	<p>For listed derivatives (futures and options), the priority factor is generally the timeliness of execution.</p>

Financial instruments/transactions	Type of execution venue(s) (*)	Strategy to obtain best execution and selection of intermediaries	Factors and Criteria used/prioritised
Units or shares of collective investment undertakings (excluding listed markets)	N/A	<p>The Bank sends orders to the UCI's centralising agent designated in the fund's prospectus, subject to the Client's compliance with the terms and conditions set out in the agreement and the prospectus.</p> <p>Orders are therefore received and executed at the next net asset value, in compliance with cut-off times and according to the terms of the prospectus (or equivalent document), upon reasonable notice given to the Bank.</p>	Likelihood of execution.
Structured products (secondary market)	Structured products can take several forms: Warrants, Certificates or EMTNs.	The Bank addresses the issuer of the product (for OTC products) or a selected intermediary/broker (where the instrument is listed).	For listed structured instruments, the main criterion is timeliness of execution. For unlisted instruments, EdR Monaco addresses the issuer.

* This list is not exhaustive and other execution venues may be used, especially temporarily in compliance with the obligation of best execution/selection, or to meet a specific instruction from a Client.

APPENDIX 4 : GLOSSARY

- ▶ **Client** : any natural or legal person as defined in the Bank's General Terms and Conditions.
- ▶ **Professional client** : a client who, under the applicable law, has (a) a legal status eligible for qualification as a professional investor or (b) qualifies as a professional client by meeting the conditions of eligibility under the applicable law.
- ▶ **Retail client** : any client who is not a professional client.
- ▶ **Liquidity providers** : companies able to trade on their own account and which provide liquidity in the course of their normal activities, whether or not they have made formal arrangements to do so or undertaken to provide liquidity on a continuous basis.
- ▶ **Financial instruments** :
 1. Securities.
 2. Money market instruments.
 3. Units of collective investment undertakings.
 4. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivative instruments, financial indices or financial measures which may be settled by physical delivery or in cash.
 5. Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the request of one of the parties for reasons other than a default or other termination event.
 6. Options, futures, swaps, and any other derivative contract relating to commodities that can be settled by physical delivery, provided that they are traded on a regulated market, MTF or OTF, with the exception of wholesale energy products that are traded on an OTF and that must be settled by physical delivery.
 7. Options, futures, swaps, forwards and any other derivative contracts for commodities that can be physically settled, not specified in other respects in point 6 of this section, and not intended for commercial purposes, which have the characteristics of other financial derivative instruments.
 8. Derivatives for the transfer of credit risk.
 9. Contracts for difference.
 10. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to weather variables, freight rates or inflation rates or other official economic statistics that must be paid in cash or may be settled in cash at the request of one of the parties for reasons other than a failure or other incident causing termination, as well as any other derivative contracts related to assets, rights, obligations, indices and measures not otherwise mentioned in this section, that have the characteristics of other financial derivative instruments, taking into account that, in particular, they are traded on a regulated market, an OTF or an MTF.
 11. Emission quotas consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

- ▶ **Systematic internaliser** : an investment company that, in an organised, frequent and systematic way, trades on its own account when it executes Client orders outside a regulated market, an MTF or an OTF without operating a multilateral system.
- ▶ **Place of execution** : a regulated market, a multilateral trading facility, an organised trading facility, a systematic internaliser, a market maker or other liquidity provider, or an entity that performs similar functions in a third country.
- ▶ **Regulated market** : a multilateral system, operated and/or managed by a market operator, which ensures or facilitates the meeting – within itself and according to its non-discretionary rules – of multiple buyer and seller interests expressed by third parties for financial instruments, in a way that results in the conclusion of contracts relating to financial instruments admitted to trading under its rules and/or systems.
- ▶ **Order** : any order, including the purchase or sale of a financial instrument executed or transmitted by the Banks.
- ▶ **OTC** : over-the-counter.
- ▶ **Trading venue** : a regulated market, a multilateral trading facility (MTF) or an organised trading facility (OTF).
- ▶ **Execution venue** : a regulated market, a multilateral trading facility (MTF), an organised trading facility (OTF), a systematic internaliser or a liquidity provider.
- ▶ **Multilateral trading facility (MTF)** : a multilateral system, operated by an investment company or market operator, which ensures the meeting – within itself and according to non-discretionary rules – of multiple interests of buyers and sellers expressed by third parties for financial instruments, in a way that leads to the conclusion of contracts.
- ▶ **Organised trading facility (OTF)** : a multilateral system, other than a regulated market or MTF, in which multiple third-party buyer and seller interests for bonds, structured products, emission quotas or derivatives can interact with one another in a way that leads to the conclusion of contracts.
- ▶ **Market maker** : a company that is continuously present on the financial markets to trade on its own behalf and which purchases and sells financial instruments by committing its own capital, at prices fixed by it.