

## EFG Private Bank Limited

### Order Execution Policy

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This Standard explains EFGIUK's set of steps that will be taken to obtain, when executing orders, the best possible result for clients taking into account the execution factors. EFGIUK includes both divisions, EFG Private Bank and EFG Harris Allday.

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## 1. Purpose

- 1.1. This standard explains EFGIUK's ("we", "our" or "us") set of steps that will be taken to obtain, when executing orders, the best possible result for clients taking into account the execution factors as required by the Markets in Financial Instruments Directive 2014/65/EU ("MiFID II").
- 1.2. We have established and implemented arrangements, including an Order Execution Standard ("standard"), which are designed to allow us to meet our regulatory obligation to obtain the best possible result for your orders ("best execution").
- 1.3. Our commitment to provide you with best execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.
- 1.4. The information on the execution principles is tailored to the respective class of financial instruments. Therefore, this standard is supplemented by appendices which provide further details to our considerations as they relate to differing asset classes. The appendices should be read in conjunction with this standard and cover the following products:
  - Equities;
  - Debt instruments and Money-market instruments;
  - FX derivatives;
  - Structured Products;
  - Securitised Products; and
  - Exchange Traded Products.
- 1.5. Funds are out of scope for the purpose of best execution; however, Exchange Traded Funds (ETFs) are in scope.
- 1.6. We are required to obtain the consent of each client to our Order Execution Standard. By signing the terms of the client agreement you are deemed to have given consent and confirm acceptance of the standard.
- 1.7. As set out in our Terms of Business we may decline to accept instructions and orders from you.

## 2. Scope

- 2.1. This standard applies to retail and professional clients<sup>1</sup> (hereinafter also abbreviated to “clients”) as defined in our Terms & Conditions for the orders which are accepted by us on your behalf for the purpose of purchasing or selling financial instruments. This standard also applies when we purchase or sell financial instruments in fulfilment of our obligations arising from a portfolio management mandate with you.
- 2.2. We may accept specific instructions from you as to how an order is to be executed.
- 2.3. Depending on their nature, these specific instructions may be inconsistent with our best execution obligations and our view of best execution. Where this is the case, we will take all sufficient steps to handle and execute the relevant order in a manner which satisfies your instructions. However, please note that if you provide us with a specific instruction this may prevent us from taking the steps which have been designed and implemented in our standard to help obtain the best possible outcome for your orders.
- 2.4. Giving us specific instructions as to execution may therefore adversely affect the execution outcome you receive (e.g. specifying a preference for the venue of execution).
- 2.5. Further, in following your instructions we will be deemed to have taken all sufficient steps to provide the best possible outcome in respect of the order or aspect of the order covered by your specific instructions. We will however, continue to comply with our best execution obligation for the remainder of the factors which are not covered by your specific instructions.
- 2.6. In the event of extreme volatile markets, system outages, restriction due to government actions or market disruption which remains outside our control, we may temporarily suspend execution. It is possible that in these adverse market conditions different clients submitting orders with similar characteristics may achieve different outcomes, including whether and when orders or trades will be executed.
- 2.7. We may decide that in certain circumstances, where you have previously provided your consent, that it would be beneficial to execute all or part of an order outside a trading venue. Whilst this may provide the advantage of an improved execution price and faster execution, additional risks may be incurred, for example a counterparty risk arising from execution outside a trading venue.

## 3. Execution Factors

- 3.1. Where we execute an order for you, in the absence of specific instructions from you as to how an order is to be executed, we will take into consideration all factors that allow us to deliver best execution.

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<sup>1</sup> All terms in *italic script* are to be interpreted as defined in our T&Cs.

- 3.2. Our obligation is to take all sufficient steps to obtain the best possible results for you. The best possible results means the best overall price - being the purchase price at which an order is executed (for a buy order) plus transaction costs passed on to you, or the sale price at which an order is executed (for a sell order) minus transaction costs passed on to you, across the execution venues on which we may execute orders.
- 3.3. In addition to best overall price, we may take into account the following factors and give them precedence over the immediate price factors where they are instrumental in delivering the best possible results for you in terms of total cost to you:
  - (a) Liquidity of the financial instrument;
  - (b) Costs;
  - (c) Speed;
  - (d) Likelihood of execution or settlement;
  - (e) Size of your order;
  - (f) Nature of your order;
  - (g) The execution venues available and their trading status; and
  - (h) Any other consideration relevant to the efficient execution of your order, including liquidity and market impact.
- 3.4. We will determine the relative importance of each factor and therefore there may be trade-offs where certain execution factors are considered as having higher importance over others in obtaining the best possible results for you.
- 3.5. Ordinarily, price will merit a high relative importance in obtaining the best possible outcome for clients. In certain circumstances, for some client orders, financial instruments or markets, we, in our absolute discretion, may decide that other factors are more important in determining the best possible results for you in accordance with our standard.

## 4. Execution Criteria

- 4.1. The following execution criteria shall be taken into account when applying relative weights to the execution factors (see section 3):
  - the characteristics of the client including your categorisation as retail or professional client;
  - the characteristics of the order;
  - the characteristics of the financial instruments that are the subject of that order; and
  - the characteristics of the execution venues to which that order can be directed.

- 4.2. In providing best execution, we will follow the same standards and apply the same processes to all markets and financial instruments. However, the relative importance of any one or several of the abovementioned criteria may vary on a case-by-case basis as a result of the diversity of the markets, financial instruments and order types. For example, whereas price volatility may result in timely execution to be a priority in some markets, in other markets with low liquidity, the likelihood of execution of the order may alone constitute best execution. The nature of your order and any specific instruction linked to that order may also limit the choice in the selection of the execution venue.
- 4.3. Further details can be found in the appendices.

## 5. Execution Venues

- 5.1. When executing your transactions, we will take all sufficient steps in order to obtain on a consistent basis the best possible result for you and therefore we may use one or more venue types, including but not limited to the following:
- Regulated Markets<sup>2</sup>;
  - Other exchanges that are not Regulated Markets;
  - Multilateral Trading Facilities<sup>3</sup> (MTF's);
  - Systematic Internalisers (SI's);
  - Market Makers; or
  - Other liquidity providers.
- 5.2. Execution venues by asset class are listed in the appendices to this standard.
- 5.3. We will undertake on-going assessments of the execution venues used to determine whether existing venues continue to provide for the best possible result for clients and also to review the suitability of new execution venues. In making this assessment we will utilise information derived from our own internal best execution monitoring tools and processes as well as where applicable execution quality data reported by execution venues under MiFID II and its implementing measures.

## 6. Order Management and Handling

- 6.1. Where we handle orders either on your behalf or as part of our portfolio management activities, we must ensure that orders are:
- Executed promptly in accordance with objectives;
  - Accurately recorded and allocated; and

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<sup>2</sup> A regulated market means a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly, for example, the London Stock Exchange.

<sup>3</sup> MTF means a system that brings together multiple parties (e.g. retail investors or other investment firms) that are interested in buying and selling financial instruments and enables them to do so. These systems can be crossing networks or matching engines that are operated by an investment firm or a market operator. Instruments may include shares, bonds and derivatives. This is done within the MTF operator's system.

- Executed sequentially unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise.
- 6.2. This may involve the aggregation of orders of different clients. Where orders are aggregated this will occur in accordance with the relevant MiFID II rules and records will be maintained as required by those rules.
  - 6.3. The executed orders are allocated to clients fairly and proportionately.
  - 6.4. In circumstances where you provide us with a limit order and we determine that a relevant exchange is the best execution venue for your order we will send the order in full (or in part where deemed prudent) to the execution venue that we consider is the venue that will provide you with best execution considering the execution factors detailed above, in particular the characteristics of your order, best available price, available liquidity and certainty of execution at the time the order is received.
  - 6.5. The execution of your order after transmission to a relevant exchange will be subject to price-time priority.
  - 6.6. In exceptional circumstances, such as technical faults or loss of connectivity at execution venues, EFGIUK may be forced to employ other methods of execution other than the methods stated above.

## 7. Publishing Unexecuted Limit Orders

- 7.1 It may not always be possible to execute limit orders under the prevailing market conditions. We would then be required to make such orders public ahead of execution, unless you agree that we need not do so. We believe it is in your best interests if we exercise our discretion as to whether or not we make your order public. By agreeing to the Order Execution Policy, you agree that we will not make your order public.

## 8. Monitoring and Review

- 8.1. Our execution arrangements and the Order Execution Standard may change from time to time. This standard will be reviewed at least annually, including an assessment of the execution venues used, or whenever a material change occurs that affects our ability to obtain the best result for the execution of your orders. The latest version of this standard will be published on our website: <https://www.efgl.com/>.

## 9. Glossary

- 9.1. A glossary of key terms can be found in our Terms of Business.

## Appendix

### 1. Equities

#### a. Scope

The best execution considerations for equities apply to the following financial instruments:

- Shares
- Depositary Receipts
- Rights
- Exchange Traded Funds (ETFs)

The principles are applied consistently across all liquidity classes.

#### b. Approach to obtaining Best Execution

Equity orders are executed through the venues outlined in Appendix A, or via the UK Retail Service Provider (RSP) – a mechanism for broadcasting buying and selling interest to a range of brokers.

#### c. Prioritisation of Execution Factors

We prioritise price as the primary criterion to obtain the best possible result for clients. Other factors, such as timing and transaction costs (particularly in the case of non-UK equities) are also key considerations, particularly for large or illiquid orders.

### 2. Debt Instruments and Money-Market Instruments

#### a. Scope

The best execution considerations for Debt Instruments and Money-market Instruments apply to the following financial instruments:

- Bonds
- Money-market instruments
- Other debt securities

#### b. Approach to obtaining Best Execution

We use Bloomberg Multilateral Trading Facility (Bloomberg MTF) as the primary venue of execution, where it is possible to interact with prices from a range of brokers. In limited circumstances, an order may be routed to a single broker, or smaller field of brokers, on an over-the-counter (OTC) basis.

#### c. Prioritisation of Execution Factors

Price (typically observed through a Request for Quote<sup>4</sup> (RfQ) mechanism), will be the primary criteria to obtain the best result for clients. Other factors such as timing and transaction costs will also actively be considered.

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<sup>4</sup> A Request for Quote mechanism is where the buyer (seller) asks for a price quotation from a potential seller (buyer) before deciding whether to carry out the order.

### 3. FX Derivatives

#### a. Scope

The best execution considerations for FX Derivatives apply to the following financial instruments:

- FX Forwards
- FX Options

#### b. Approach to obtaining Best Execution

The EFGIUK Treasury Department acts as the counterparty to all Foreign Exchange (FX) orders received from you. The price provided to you will be referenced to the current best price sourced from Thomson Reuters FXAll MTF, to ensure you receive a representative market outcome.

#### c. Prioritisation of Execution Factors

Price (typically observed through an RfQ mechanism), will be the primary criteria to obtain the best result for clients. Other factors such as timing and transaction costs will also be actively considered.

### 4. Structured Products

#### a. Scope

The best execution considerations for Structured Products apply to the following financial instruments:

- Structured Notes

#### b. Approach to obtaining Best Execution

Structured products trading takes place with the issuers' appointed dealer.

#### c. Prioritisation of Execution Factors

Due to the illiquid nature of these financial instruments, timing and liquidity will be prioritised alongside price as the primary criteria to obtain the best result for you.

## 5. Securitised Products

### a. Scope

The best execution considerations for Securitised Products apply to the following financial instruments:

- Warrants

### b. Approach to obtaining Best Execution

Due to the illiquid nature of the Warrants traded, EFGIUK has selected Societe Generale as the sole broker for Securitised Products. This arrangement is subject to periodic review to ensure its ongoing appropriateness.

### c. Prioritisation of Execution Factors

Due to the illiquid nature of these financial instruments, timing and liquidity will be prioritised alongside price as the primary criteria to obtain the best result for you.

## 6. Exception for Managed Portfolios

In the case of discretionary managed portfolios maintained by the Private Bank, best execution is obtained by the transmission of orders to EFG Asset Management.

EFG Harris Allday executes orders for their own managed portfolios.

As another entity within the EFG Group, EFG Asset Management applies a consistent best execution standard when executing orders on behalf of clients of the Private Bank.

EFGIUK regularly review the best execution approach and outcomes achieved by EFG Asset Management, to ensure these are appropriate for EFGIUK clients, and consistent with EFGIUK's best execution obligations.

## 7. Appendix A – List of Execution Venues by Financial Instrument Type

Execution Venue	Liquidity banks <sup>5</sup> 5 and 6	Liquidity banks 3 and 4	Liquidity banks 1 and 2	Bonds	Money Markets	Other instruments
ABERDEEN GBL FD (LUX)						X
ABERDEEN UNIT TST MGMT						X
ALLIANZ GLOBAL INV (UK) LTD						X
ALPHA REAL CAPITAL PROPERTY						X
ANZ				X		
ARDEN PARTNERS	X	X	X			
ARTEMIS FUND MGMT LTD						X
AVIVA INVESTORS UK						X
AXA FRAMLINGTON INV MGMT						X
BAILLIE GIFFORD & CO LTD						X
BARCLAYS (L&G) MM STERLING BOND						X
BARCLAYS CAPITAL (BPLC)						X
BARCLAYS GLAC FUNDS LTD						X
BARCLAYS GLOBAL INV						X
BARCLAYS LUX FUNDS LTD						X
BARCLAYS WEALTH FUNDS LTD						X
BARING FUND MANAGERS						X
BERENBERG				X	X	
BLACKROCK (LUXEMBOURG) SA						X
BLACKROCK CHANNEL ISLANDS LTD						X
BLACKROCK INV MGMT (UK)						X
BLUE BAY ASSET MANAGEMENT						X
BMO CAPITAL MARKETS LIMITED	X	X	X	X	X	
BNY MELLON GLOBAL FUNDS						X

<sup>5</sup> The liquidity band assigned to an individual equity or depository receipt is based on a series of thresholds set by the regulator (ESMA). The most liquid equities (such as those which comprise the FTSE 100) fall into liquidity bands 5 and 6. Equities which trade less frequently would fall in to one of the lower liquidity bands, based on the average number of times they are traded in a business day.

BNYMELLON ASSETMGMT NEWTON						X
BROWN ADVISORY FUNDS						X
BROWN BROTHERS HARRIMAN LIMITED						X
CAF FINANCIAL SOLUTIONS LTD						X
CANACCORD GENUITY LIMITED	X	X	X	X	X	
CANTOR FITZGERALD EUROPE	X	X	X	X	X	
CAPITA FINANCIAL						X
CAPITA FINANCIAL MGMT						X
CAPITA FINANCIAL MGMT LTD LEEDS - O						X
CAPITA REGISTRARS	X	X	X	X		X
CARVETIAN						
CCLA INVESTMENT MGT LIMITED						X
CENKOS SECURITIES LIMITED						
CG PORTFOLIO FUND PLC						X
CHARITIES PROPERTY FUND (THE)						X
CIS UNIT MANAGERS LIMITED						X
COMPUTERSHARE INVESTOR SERVICES	X	X	X	X		X
CORUM INV FUNDS						X
COUPLAND CARDIFF						X
CREDIT SUISSE LUX						X
CREDIT SUISSE SECURITIES				X	X	
CRM						X
CULLEN CAPITAL MGMT						X
DAIWA EUROPE LTD				X	X	
DBS VICKERS (HONG KONG) LIMITED	X	X	X			
DEUTSCHE BANK AG				X	X	
EDINBURGH PARTNERS OPP FD						X
EQUINITI LIMITED						X
F&C FUND MGMT LTD						X
FIDANTE PARTNERS EUROPE LTD	X	X	X			
FIL INV SERVICES UK LTD						X
FINDLAY PARK FUNDS PLC						X

FINNCAP LIMITED (DFQAO)	X	X	X			
FINNCAP LTD (CAQAO)	X	X	X			
FIRST STATE INV (UK) LTD						X
FIRST STATE INV HK						X
FISKE PLC						X
FP ARGONAUT FUNDS						X
FP ARGONAUT FUNDS						X
FP CRUX FUNDS						X
FP MITON INCOME FUND						X
FRANKLIN TEMP INV ONSHORE						X
FUNDSMITH LLP						X
GAM FUND MGMT LTD (IRE)						X
GAM UNIT TRUST MGMT						X
GOLDMAN SACHS				X	X	
GOLDMAN SACHS EQUITY SECS (UK) LTD				X	X	
GOLDMAN SACHS INTERNATIONAL				X	X	
GUINNESS ASSET MANAGEMENT FUNDS PLC						X
GUINNESS ASSET MANAGEMENT						X
HALIFAX FINANCIAL SERVICES						X
HARGREAVES LANSDOWN FUND MANAGERS						X
HENDERSON GART FD (SICAV)						X
HENDERSON GLOBAL INV UK						X
HSBC GREENWELL				X	X	
HSBC INV FUNDS (UK) LIMITED						X
HSBC INVESTMENT FUNDS						X
HSBC SECURITIES SERVICES						X
ICAP	X	X	X			
IGNIS ASSET LUX						X
INVESCO FUND MANAGERS LTD						X
INVESCO GLOBAL DIST LTD						X
INVESTEC ASSET MGMT (OFFSHORE)						X
INVESTEC BANK (UK) LIMITED	X	X	X			

INVESTEC FUND MGMT LTD UK						X
J & E DAVEY	X	X	X			
JANUS CAPITAL FUNDS PLC						X
JEFFERIES INTERNATIONAL LTD	X	X	X	X	X	
JO HAMBRO CAPITAL MGMT						X
JP MORGAN ASSET MGMT UK						X
JP MORGAN BANK - LUX						X
JP MORGAN SECS CREST 2	X	X	X	X	X	
JP MORGAN SECURITIES LTD(JPMS)	X	X	X	X	X	
JUPITER UT MANAGERS LTD						X
KAMES CAPITAL MGMT AEGON						X
KNIGHT CAPITAL EUROPE LIMITED	X	X	X			
LAZARD FUND MANAGERS LTD						X
LEGAL & GENERAL INV						X
LEGG MASON GLOBAL FDS PLC (IRELAND)						X
LEGG MASON INV FD ONSHORE						X
LIBERUM CAPITAL LIMITED	X	X	X			
LINDELL TRAIN GLBL FDS						X
LIONTRUST INV FUNDS LTD						X
LLOYDS TSB BANK PLC				X	X	
M & G GROUP (UK)						X
MACQUARIE CAPITAL (EUROPE) LTD	X	X	X			
MACQUARIE FUND SOLUTIONS						X
MAITLAND INSTL SERVICES						X
MAJEDIE ASSET MANAGEMENT - OMNIBUS						X
MAN GLG PARTNERS INV FD						X
MARLBOROUGH FD MGMT LTD						X
MARSHALL WACE UCITS FUND						X
MERRILL LYNCH						X
MERRILL LYNCH FIXED INCOME				X	X	
MERRILL LYNCH INTERNATIONAL (MLSB)				X	X	
MFS						X

mitsubishi UFJ						X
MONTANARO EUROPEAN						X
MORGAN STANLEY INV FUNDS						X
MORGAN STANLEY SECURITIES LIMITED				X	X	
NATIXIS SA						X
NCL INVESTMENTS LIMITED				X	X	
NEPTUNE INV MGMT LTD						X
NEUBERGER BERMAN INV FD						X
NEW CAPITAL FD MGMT						X
NOMURA FUNDS						X
NOMURA INTERNATIONAL PLC	X	X	X	X	X	
NORDIA						X
NORTHERN TRUST LUX						X
NOVUM SECURITIES LIMITED	X	X	X			
OLD MUTUAL DUBLIN FUNDS						X
OLD MUTUAL FD MGMT (UK)						X
OLD MUTUAL GBL						X
PANMURE GORDON & CO LIMITED	X	X	X			
PEEL HUNT LLP	X	X	X	X	X	
PERSHING SECURITIES LIMITED				X	X	
PICTET & CIE (EUROPE) SA						X
PIMCO FUNDS						X
POLAR CAPITAL FUNDS PLC						X
PREMIER PORTFOLIO MGRS						X
PRINCIPLE GLOBAL INVESTORS FUNDS						X
PRUSIK FUNDS PLC						X
QUINTILLION LTD						X
RATHBONE UTM LTD						X
RBC				X	X	
RBC INV SERV IRE LTD						X
RBS ASSET MANAGEMENT						X
RBS ASSET MANAGEMENT (DUBLIN) LTD						X

RBS FINANCIAL MARKETS				X	X	
RBS PLC				X	X	
RIVER & MERCANTILE						X
ROYAL LONDON ASSET MGMT						X
ROYAL LONDON UTM						X
SANFORD C BERSTEIN LIMITED	X	X	X			
SANTANDER ASSET MANAGEMENT						X
SANTANDER ASSET MANAGEMENT						X
SARASIN FUNDS MGMT (IRE)						X
SARASIN FUNDS MGMT (IRE)						X
SARASIN INVESTMENT FD LTD						X
SCHRODER INV LTD						X
SCHRODER INV MGMT (LUX)						X
SCOTTISH WIDOWS UNIT TRUST MGRS						X
SCOTTISH WIDOWS UNIT TRUST MGRS						X
SCOTTISH WIDOWS UNIT TRUST MGRS						X
SG OPTION EUROPE S.A.						
SHORE CAPITAL STOCKBROKERS LTD	X	X	X			
SINGER CAPITAL MARKETS LIMITED	X	X	X			
SKY HARBOR GLOBAL FUNDS						X
SMITH & WILL INV FD DUBLIN						X
SMITH & WILL UT (UK)						X
SOCIETE GENERALE INV BANKING				X	X	
ST JAMES'S PLACE W/MGMT						X
STANDARD CHARTERED						
STANDARD LIFE INV LUX						X
STANDARD LIFE INVESTMENTS						X
STATESTREET FUND SERVICES						X
STIFEL	X	X	X			
STIFEL NICOLAUS EUROPE LIMITED	X	X	X			
STOCKDALE SECURITIES	X	X	X			
SUSQUEHANNAINTERNATIONAL SEC LTD						

SVM ASSET MGMT LIMITED						X
SWIP FUND MGMT LTD						X
T BAILEY FUNDS						X
T ROWE PRICE FUNDS						X
THREADNEEDLE INVESTMENTS						X
TORONTO-DOMINION BANK (THE)				X	X	
UBS AG				X	X	
UBS GBL ASSET MGMT FDS LTD						X
UBS LIMITED				X	X	
UBS LIMITED (FIXED INCOME)				X	X	
UNICORN ASSET MGMT						X
VALU-TRAC INV MGMT						X
VERITAS FUNDS PLC						X
W.H IRELAND LIMITED	X	X	X			
WELLS FARGO SECURITIES INTL LTD	X	X	X			
WINTERFLOOD GILTS				X	X	
WINTERFLOOD SECURITIES LIMITED	X	X	X			
ZURCHER KANTONALBANK				X	X	