



Execution Policy

For Professional Clients

January 2018



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1. Purpose and scope

This Execution Policy outlines the execution service M&G Investment Management Limited (“MAGIM”) provides for its Professional clients, in accordance with the UK Financial Conduct Authority’s amended rules (which implement the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and Markets in Financial Instruments Regulation (EU) 600/2014 (“MiFIR”), together “MiFID II”. The purpose of this policy is to provide you, our **Professional** and **Elective Professional** client, with information about how we aim to achieve the best possible result for you when executing orders on your behalf in Financial Instruments as defined by MiFID II.

2. Our Obligation

Our obligations when executing orders on your behalf is to achieve the best possible result. There may be many ways to achieve the best possible result for you and, as your agent, we take all sufficient steps to achieve this by following this Execution Policy and by considering the execution factors described below. The aim of our process is to produce a result which provides the best outcome across a range of sometimes conflicting factors.

The obligation to take all sufficient steps to deliver the best result for you remains with us in all cases. Whether we place orders or transmit orders for execution with market counterparties, we are obliged to ensure those entities with whom we place or execute client orders enables MAGIM to satisfy the MiFID II best execution requirements.

MAGIM can transmit orders, in two different approaches to the market, either Placing or Direct Execution.

- When Placing Orders, we transmit the order to a broker for them to execute in the market.
- For Direct Execution, we execute an order direct with an execution venue or counterparty.

In each trading scenario, we will be required to produce the Annual Reporting of Top Five Venues / Brokers by asset class.

With some instruments which are more illiquid in nature, there may be limited options available in relation to where and with whom we can deal.

Any specific instructions from a client may prevent MAGIM from taking the steps that it has designed and implemented in its Execution Policy to obtain the best possible result for the execution of those orders, in respect of the elements covered by those instructions.

2.1. Order Handling

MAGIM operates a separate Client Order Handling Policy which outlines its approach to allocation and aggregation. We may aggregate transactions carried out on your behalf with

those of our other clients. The effect of such aggregation may work on some occasions to your advantage and on others cases to your disadvantage. In addition to this, MAGIM follows the requirements of the Client Order Handling Policy in relation to allocation, timely execution and recording of transactions, the requirements of which are embedded within our internal dealing procedures.

2.2. Venue/Counterparty Selection and Review Principles

For all asset classes, a list of the execution venues and counterparties used across our dealing teams is provided in Appendix II.

MiFID II requires that investment firms do not take any remuneration, discount or non-monetary benefit from routing client orders to a particular trading venue or execution venue. These actions would infringe our existing Conflicts of Interest, Inducements and Gifts and Hospitality policies and are therefore monitored accordingly. Any exceptions are reviewed as part of an effective governance arrangement.

Execution Venues are only used by MAGIM where they have been approved via our venue/counterparty approval processes.

RTS 27 data (Best Execution Data from Execution Venues), once available, will be used to evaluate execution venues or counterparties where applicable.

We reserve the right use any of the venues for any asset type. Venues are documented in the Appendix by asset type.

2.3. Outsourcing of Portfolio Management

There may be circumstances when MAGIM appoints another firm to perform portfolio management, and carry out execution. This may be at the initiative of a client or a decision by MAGIM, who consider that the appointment would be in the client's best interests. Where MAGIM appoints another firm to perform portfolio management, it will pass on the MiFID II obligations to ensure that its clients receive an equivalent level of investor protection. The performance of the delegate will be incorporated into our standard best execution monitoring process.

3. Execution Factors and Venues

Our Dealing Teams have the appropriate knowledge and competency, allowing them to assess how to prioritise a range of execution factors to achieve the best result for your order.

These factors are interchangeable and will vary in importance depending on the market and instrument type being dealt.

3.1. Private Assets

Negotiated deals where assets are either of a private nature or illiquid (in terms of market availability) best execution will be demonstrated by the investment principles used throughout the negotiation and by the procedures followed by each individual investment team. This specifically relates to order execution outside of the dealing teams.

3.2. Collective Instruments

For orders in Collective Investment Schemes “CIS” MAGIM will execute the order directly with the operator of the CIS. Deals will be submitted prior to the scheme operator’s dealing cut off time and the order will be executed at the prevailing CIS Net Asset Value.

3.3. OTC Trading

MAGIM have put in place processes and controls to ensure the fairness of OTC Prices by gathering market data used in the estimation of the price of such product and, where possible, by comparing with similar or comparable products.

3.4. Equities and Equity Derivatives

3.4.1. Execution Factors

MAGIM is structured to achieve the best possible result in aggregate for your orders. In deciding how to manage your orders MAGIM will take into account a range of execution factors, these factors are interchangeable and will vary in importance depending on the market and instrument type being dealt. Therefore MAGIM prioritises these factors typically taking into account:

- The characteristics of the financial instrument to be dealt;
- The characteristics of the order made on your behalf;
- The characteristics of your portfolio and its objectives as set out in the relevant Investment Management Agreement;
- If the financial instrument is subject to any regulatory requirements;
- The characteristics of the counterparty or venue on which we may place your order;

The factors typically considered per asset class are listed in the table below.

Asset Classes - As defined for reporting in MiFID II Regulations	Primary execution factors considered			
Equities - Shares & Depositary Receipts	1 Most	2	3	4 Least
Tick size liquidity bands 5 and 6 (from 2000 trades per day)	Price	Speed	Costs	Execution / Settlement
Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)	Price	Size	Speed	Execution / Settlement
Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)	Size	Price	Execution / Settlement	
Equity Derivatives	1 Most	2	3	4 Least
Futures and options admitted to trading on a trading venue.	Price	Speed	Execution and settlement	Costs
Swaps and other equity derivatives	Size	Price	Costs	Execution and settlement
Exchange Traded Products (ETFs)	Price	Size	Speed	Execution and settlement
Other Instruments	1 Most	2	3	4 Least
Convertible Bonds	Size	Price	Execution and settlement	Speed

3.4.2. Execution Counterparty or Venue Selection

In order to achieve the best possible result for your orders MAGIM maintains a number of approved counterparties. All execution counterparties used by MAGIM are approved via the venue/counterparty approval processes.

MAGIM does not normally search and compare all execution counterparties or venues for every trade but will apply its professional judgement and collective experience when selecting which ones to use.

MAGIM will take all sufficient steps to accomplish the best result for you by following this Execution Policy.

Under MiFID II, our commitment to provide you with the best possible result does not mean that we owe you any special fiduciary responsibilities beyond the ones we may have agreed or that MiFID II dictates.

3.4.3. Execution Reviews

MAGIM regularly reviews the quality of execution and service provided by all its approved execution counterparties. Any concerns that arise with counterparties between reviews are reported immediately to senior management and are also considered in relevant counterparty meetings.

3.5. Fixed Income Instruments and Fixed Income Derivatives

3.5.1. Execution Factors

MAGIM takes all sufficient steps to achieve the best possible result in aggregate for your orders. In deciding how to manage your orders MAGIM will take into account a range of execution factors, these factors will vary in importance depending on the market and instrument type being dealt. Therefore MAGIM considers these factors typically taking into account:

- The characteristics of the financial instrument to be dealt;
- The characteristics of the order made on your behalf;
- The characteristics of your portfolio and its objectives as set out in the relevant Investment Management Agreement;
- If the financial instrument is subject to any specific regulatory requirements;
- The characteristics of the counterparty or venue on which we may place your order;

Any other relevant factors (market conditions, broker positioning, historic counterparty performance)

The factors typically considered per asset class are listed in the table below.

Asset Classes - As defined for reporting in MiFID II Regulations	Primary execution factors considered			
Debt Instruments	1 Most	2	3	4 Least
Bonds	Price	Size	Nature	Other

Interest Rate Derivatives	1 Most	2	3	4 Least
Futures and options admitted to trading on a trading venue.	Price	Size	Execution/Settlement	Nature
Swaps and interest rate derivatives	Price	Size	Nature	
Credit Derivatives	1 Most	2	3	4 Least
Indices	Execution/Settlement	Price	Size	
Single Name	Price	Size	Execution/Settlement	

3.5.2. Execution Counterparty or Venue Selection

In order to achieve the best possible result for your orders, MAGIM maintains a number of approved counterparties and venues. All execution counterparties/venues used by MAGIM are approved via the venue/counterparty approval processes. MAGIM will not normally search and compare all execution venues or counterparties for every trade but will apply its professional judgement and collective experience when selecting which ones to use.

MAGIM will take all sufficient steps to accomplish the best result for you by following this execution policy.

Under MiFID, our commitment to provide you with the best possible result does not mean that we owe you any special fiduciary responsibilities beyond the ones we may have agreed or that MiFID II dictates.

3.5.3. Execution Reviews

MAGIM reviews the quality of execution and service provided by all its approved execution venues/counterparties on a quarterly basis in the Trade Execution Review Forum. Any concerns that arise with counterparties following or between reviews are reported immediately to senior management and are also considered in scheduled oversight.

3.6. Currency Derivatives and Money Market Instruments

3.6.1. Execution Factors

MAGIM will take all sufficient steps to achieve the best possible result for client orders. In deciding how to manage your orders MAGIM will take into account a range of execution factors, these factors are interchangeable and will vary in importance depending on the market and instrument type to be executed.

MAGIM will prioritise execution factors typically taking into account the following characteristics:

- The characteristics of the financial instrument to be executed;
- The characteristics of the order;
- The characteristics of your portfolio and its objectives as set out in the relevant Investment Management Agreement;
- If the financial instrument is subject to any regulatory requirements;
- The characteristics of the counterparty or venue on which we may place your order;

The factors typically considered per asset class are listed in the table below.

Asset Classes - As defined for reporting in MiFID II Regulations	Primary execution factors considered			
Money Market Instruments	1 Most	2	3	4 Least
Certificate of Deposit (CD), Commercial Paper (CP), Treasury Bill	Price	Size	Nature	
Currency Derivatives	1 Most	2	3	4 Least
FX Forwards, Non Deliverable Forwards (NDFs), FX Swaps & FX Options	Price	Size	Nature	

3.6.2. Execution Counterparty or Venue Selection

In order to achieve the best possible result for your orders MAGIM maintains a number of approved counterparties. All execution counterparties used by MAGIM are approved by the venue/counterparty approval processes.

MAGIM will not normally search and compare all execution venues or counterparties for every trade but will apply its professional judgement and collective experience when selecting which ones to use.

MAGIM will take all sufficient steps to accomplish the best result for you by following this Execution Policy.

Under MiFID II, our commitment to provide you with the best possible result does not mean that we owe you any special fiduciary responsibilities beyond the ones we may have agreed or that MiFID II dictates.

3.7. Securities Financing Transactions

3.7.1. Execution Factors

MAGIM takes all sufficient steps to achieve the best possible result for all orders. In deciding how to manage all orders MAGIM will take into account a range of execution factors, these factors are interchangeable and will vary in importance depending on the market and instrument type being dealt.

MAGIM will prioritise execution factors taking into account the following characteristics:

- The characteristics of the financial instrument to be dealt;
- The characteristics of the order;
- The characteristics of your fund and its objectives;
- If the financial instrument is subject to any regulatory requirements;
- The characteristics of the counterparty or venue on which we may place your order.

The factors typically considered per transaction type are listed in the table below.

Asset Classes - As defined for reporting in MiFID II Regulations	Primary execution factors considered			
Securities Financing Transactions (SFTs)	1 Most	2	3	4 Least
Reverse Repo for cash management	Price	Size	Nature	
Repo (for cash raising purposes) and Securities Lending Reverse Repo	Price	Size	Nature	
Securities Lending and Repo (for securities lending purposes)	Nature	Price	Size	

3.7.2. Execution Counterparty or Venue Selection

In order to achieve the best possible result for all orders MAGIM maintains a number of approved counterparties. All execution counterparties used must have a limit assigned.

MAGIM do not normally search and compare all execution venues or counterparties for every trade but will apply its professional judgement and collective experience when selecting which ones to use.

MAGIM will take all sufficient steps to accomplish the best result by following this execution policy.

Under MiFID II, our commitment to provide you with the best possible result does not mean that we owe you any special fiduciary responsibilities beyond the ones we may have agreed or that MiFID II dictates.

4. Monitoring and Governance

4.1. Execution Policy

MAGIM takes all sufficient steps to ensure that its Execution Policy is properly applied. Consequently, our dealing processes are overseen by senior management who evaluate exceptions on an ongoing basis. The oversight by senior management includes representatives from our Compliance Department. In addition, this Execution Policy is reviewed annually. If there are any material changes to our policy these will be communicated within a reasonable timeframe, by the re-publication of the Execution Policy on our public website.

4.2. Process Monitoring

The type and liquidity of an asset class will determine the amount of monitoring that can be applied to review the best execution.

For listed instruments, first line monitoring is undertaken by the Front Office Dealing Teams on a daily basis, in addition the Control and Assurance function will review exceptions, breaches, incidents and/or trends to ensure appropriate client outcomes prevail. Second line monitoring will be undertaken by the Compliance Monitoring team who review processes and controls across all business lines.

For illiquid assets and negotiated deals, the investment process will inform best execution.

For SFTs, Money Market Instruments and Currency Derivatives, first line monitoring is undertaken by the relevant Front Office Dealing Team on a weekly basis and reported to the appropriate Oversight Committee on a monthly basis.

The following diagram shows the type and level of monitoring which will be carried out, depending on the asset class.



5. Annual Reporting

On an annual basis, MAGIM will publish both quantitative and qualitative data on the execution process based on the Asset Classes detailed in Appendix I.

Quantitative data will be collated for the top five execution venues by asset class (based on the order execution method). This data will be presented in a standardised template issued under the MiFID II regulations. Qualitative information will also be provided for each asset class based on the qualitative monitoring which has been undertaken throughout the year (diagram above).

The annual report of Best Execution will be published on our website before the end of the next quarter after the end of a calendar year.

6. Client Requests

If you have any questions or require further detail regarding our Execution Policy or specific queries related to the execution of orders, please contact your client representative who will be able to co-ordinate any requests.

Appendix I - Asset Classes for Annual Reporting

MiFID II Asset Classes (Annex I: Classes of financial instruments from RTS 28)

Asset Class	Classification	Traded by MAGIM?
(a) Equity – Shares and Depository Receipts <i>(Tick Size available for 2018 reporting onwards)</i>	Tick Size (liquidity band) 1 to 2 Tick Size (liquidity band) 3 to 4 Tick Size (liquidity band) 5 to 6	Yes
(b) Bonds	Government Bonds Investment Grade Corporate Bonds High Yield Bonds Asset Backed Bonds	Yes
	Money Market Instruments	Yes
(c) Interest rate derivatives	Futures and options traded on venue Swaps, forwards and other interest rate derivatives	Yes
(d) Credit derivatives	Indices Single Name	Yes
(e) Currency derivatives	Forwards, Options and Swaps FX Non Deliverable Forwards (NDFs)	Yes
(f) Structured finance instruments	Collateralised debt instruments, credit default swaps	No
(g) Equity Derivatives	Options and futures traded on a venue Swaps and other equity derivatives	Yes

(h) Securitised Derivatives	Warrants and certificate derivatives Other securitised derivatives	Yes
(i) Commodities Derivatives	Options and Futures traded on a venue Other commodity derivatives	No
(j) Contracts for difference		No
(k) Exchange Traded Products	All (e.g. Exchange Traded Funds, Notes)	Yes
(l) Emission allowances		No
(m) Other instruments	Convertible Bonds	Yes
	Collectives	Yes
	Private Assets	Yes
	Security Financing Transactions; <ul style="list-style-type: none"> • Reverse Repo for cash management • Repo (for cash raising purposes) and Securities Lending Reverse Repo • Securities Lending and Repo (for securities lending purposes) 	Yes

Appendix II - List of Counterparties and Execution Venues

Equity and Equity Derivatives

Equities, Convertible Bonds, Warrants, and Exchange Traded Products (Equity)		
ARDEN PARTNERS PLC	EXANE LIMITED	NORDEA BANK AB
ATLANTIC EQUITIES LLP	FINNCAP LTD	NPLUS1 SINGER CAPITAL MKTS LTD
BANCO SANTANDER SA	GMP SECURITIES L.P.	NUMIS SECURITY LTD
BARCLAYS CAPITAL SEC LTD	GOLDMAN SACHS INTERNATIONAL	PANMURE GORDON UK LIMITED
BELL POTTER SECURITIES LIMITED	GOODBODY STOCKBROKERS	PARETO SECURITIES
BERENBERG BANK	HAYWOOD SECUR INC(CAN)	PEEL HUNT LLP
BMO CAPITAL MARKETS	HSBC BANK PLC	REDBURN PARTNERS LLP
BNP PARIBAS	INSTINET EUROPE LTD	ROBERT W. BAIRD & CO INC.
CANACCORD GENUITY LIMITED	INVESTEC BANK PLC	ROYAL BANK OF CANADA EUROPE LT
CANTOR FITZGERALD EUROPE	INVESTMENT TECH GROUP LIMITED	ROYAL BANK OF SCOTLAND
CARNEGIE INVESTMENT BANK AB	J E DAVY	SANFORD C.BERNSTEIN LIMITED-UK
CENKOS SECURITIES PLC	JEFFERIES INTERNATIONAL LTD	SCOTIABANK EUROPE PLC
CHINA INTNL CAP CORP (UK)	JP MORGAN SECURITIES PLC	SHORE CAPITAL STOCKBROKERS LTD
CIBC WORLD MARKETS PLC	KBC SECURITIES NV	SOCIETE GENERALE LONDON (EQ)
CITIGROUP GLOBAL MARKETS LTD	KEEFE, BRUYETTE & WOODS LTD.	STIFEL NICOLAUS EUROPE LIMITED
CLSA ASIA PACIFIC MARKETS	KEPLER CAPITAL MARKETS SA	TD SECURITIES LIMITED
COMMERZBANK	LIBERUM CAPITAL LIMITED	UBS AG
CORMARK SECURITIES (USA) LTD	LIQUIDNET EUROPE LIMITED	W.H.IRELAND LTD
CREDIT AGRICOLE CORP & INV BNK	MACQUARIE CAP (EUROPE) LTD	WINTERFLOOD SECS
CREDIT SUISSE SECS (EUROPE)	MERRILL LYNCH & CO	
DAIWA CAPITAL MARKETS	MIRABAUD SECURITIES LLP	
DANSKE BANK A/S	MIZUHO INTERNATIONAL PLC	
DEUTSCHE BANK AG	MORGAN STANLEY SECURITIES (EQ)	

Equities, Convertible Bonds, Warrants, and Exchange Traded Products (Equity)		
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EVERCORE GROUP LLC	NATIXIS	
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EXANE BNP PARIBAS	NOMURA INTERNATIONAL LTD	
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Equity Derivatives

GOLDMAN SACHS INTERNATIONAL

HSBC BANK PLC

MERRILL LYNCH & CO

ROYAL BANK OF SCOTLAND

SOCIETE GENERALE LONDON (EQ)

UBS AG

Fixed Income Instruments and Derivatives

Bonds		
BANCA IMI	GREENSILL BANK AG	RABOBANK NEDERLAND
BANCO BILBAO VILZCAYA	GUGGENHEIM SECURITIES LLC	ROBERT W. BAIRD & CO INC.
BANCO SANTANDER SA	HSBC BANK PLC	ROYAL BANK OF CANADA EUROPE LT
BARCLAYS BANK (LBEI)	ICAP SECURITIES LIMITED	ROYAL BANK OF SCOTLAND
BARCLAYS BANK PLC	IMPERIAL CAPITAL (INTL) LLP	SC LOWRY PRIMARY INVESTMENTS
BNP PARIBAS	ING BANK NV	SCOTIABANK EUROPE PLC
BRED BANK POPULAIRE	INVESTEC BANK PLC	SEAPORT EUROPE LLP
CANACCORD GENUITY LIMITED	JEFFERIES INTERNATIONAL LTD	SKANDINAVISKA ENSKILDA BANKEN
CANTOR FITZGERALD EUROPE	JP MORGAN SECURITIES PLC	SOCIETE GENERALE SA
CHALKHILL PARTNERS LLP	LIQUIDNET EUROPE LIMITED	STANDARD BANK PLC
CIBC WORLD MARKETS PLC	LLOYDS TSB	STANDARD BANK PLC
CITIGROUP GLOBAL MARKETS LTD	MARKETAXESS CAPITAL LIMITED	STANDARD CHARTERED BANK PLC
CITIGROUP GLOBAL MARKETS (LBEI)	MARKETAXESS EUROPE LTD	STIFEL NICOLAUS EUROPE LIMITED
COMMERZBANK	MERRILL LYNCH & CO	STORMHARBOUR SECS
CREDIT AGRICOLE CORP & INV BNK	MILLENNIUM ADVISORS LLC	TORONTO DOMINION BANK
CREDIT SUISSE SECS (EUROPE)	MILLENNIUM EUROPE LIMITED	TRADERISKS LIMITED
DAIWA CAPITAL MARKETS	mitsubishi UFJ SEC LTD	TRADITION LONDON CL
DANSKE BANK A/S	MIZUHO INTERNATIONAL PLC	UBS AG
DEUTSCHE BANK AG	MORGAN STANLEY & CO INT LTD	UNICREDIT BANK AG
DNB NOR BANK ASA	NATIXIS	US BANK TRUSTEES LIMITED
DZ BK ZENTRAL-GENOSSENSCHAFTS	NATIONAL AUSTRALIA BANK	WELLS FARGO SEC INT LTD
EXANE LIMTD(CONVERTIBLES ONLY)	NOMURA INTERNATIONAL LTD	WESTPAC BANKING CORP
GOLDMAN SACHS INTERNATIONAL	NORDEA BANK FINLAND PLC	TRADEWEB EUROPE LIMITED

Swaps/Credit Derivatives
BARCLAYS BANK PLC
BNP PARIBAS
CITIGROUP GLOBAL MARKETS LIMITED
CREDIT SUISSE INTERNATIONAL
DEUTSCHE BANK AG
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
JP MORGAN SECURITIES PLC
LLOYDS BANK PLC
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO INTERNATIONAL PLC
NATIONAL AUSTRALIA BANK LIMITED
ROYAL BANK OF CANADA
THE ROYAL BANK OF SCOTLAND PLC
UBS AG

Currency Derivatives and Money Markets

BANK OF AMERICA NA
BARCLAYS BANK PLC
BANK OF NEW YORK MELLON (LONDON BRANCH)
BNP PARIBAS
CIBC WORLD MARKETS PLC
CITIBANK NA
CITIGROUP GLOBAL MARKETS LTD
CREDIT SUISSE AG
CREDIT SUISSE INTERNATIONAL
DEUTSCHE BANK AG
GOLDMAN SACHS INTERNATIONAL LIMITED
HSBC BANK PLC
ING BANK NV
JP MORGAN CHASE BANK
JP MORGAN SECURITIES PLC
LLOYDS BANK PLC
MERRILL LYNCH INTERNATIONAL LIMITED
NATIONAL AUSTRALIA BANK LTD
NATIONWIDE BUILDING SOCIETY LTD
RABOBANK NEDERLAND
ROYAL BANK OF CANADA (LONDON BRANCH)
ROYAL BANK OF SCOTLAND PLC
STANDARD CHARTERED BANK PLC
STATE STREET BANK & TRUST CO
UBS AG
UBS LIMITED

Security Finance Transactions

Cpty Name	Rev Repo	Repo	SL
ABBAY NATIONAL TREASURY SERVICES PLC	Y	Y	Y
BANK OF NOVA SCOTIA LONDON BRANCH	N	N	Y
BARCLAYS BANK PLC	Y	Y	Y
BARCLAYS CAPITAL SECURITIES LTD	N	N	Y
BNP ARBITRAGE	N	N	Y
BNP PARIBAS	Y	Y	Y
BNP PARIBAS SECURITIES SERVICES	N	N	Y
CITIGROUP GLOBAL MARKETS LTD	Y	Y	Y
COMMERZBANK AG	N	N	Y
CREDIT SUISSE SECURITIES (EUROPE) LIMITED	Y	Y	Y
DANSKE BANK	Y	Y	N
DEUTSCHE BANK AG LONDON	Y	Y	Y
GOLDMAN SACHS INTERNATIONAL	N	N	Y
HSBC BANK PLC	Y	Y	Y
JP MORGAN SECURITIES PLC	Y	Y	Y
LLOYDS TSB BANK PLC	Y	Y	N
MERRILL LYNCH INTERNATIONAL	Y	Y	Y
MORGAN STANLEY & CO INTERNATIONAL PLC	Y	Y	Y
NATIONAL AUSTRALIA BANK	Y	Y	Y
NOMURA INTERNATIONAL PLC	N	N	Y
PRUDENTIAL CAPITAL LIMITED	Y	N	N
ROYAL BANK OF CANADA EUROPE LIMITED	Y	Y	Y
ROYAL BANK OF SCOTLAND PLC	Y	Y	Y
SOCIETE GENERALE	N	Y	Y
STANDARD CHARTERED BANK PLC	Y	Y	N
UBS AG	Y	Y	Y
UNICREDIT BANK AG	N	N	Y
WELLS FARGO SECURITIES INTERNATIONAL	N	Y	N

Appendix III - Glossary

Directed Order

An Order which includes instructions on which venue the trade is to be executed.

Execution Factors

Price - This is the price at which a financial instrument is executed.

Costs - This includes implicit costs such as the possible market impact and explicit external costs e.g. exchange or clearing fees.

Speed – The Time it takes to execute a transaction.

Likelihood of execution and settlement - The likelihood that trade order will be able to be completed.

Size - This is the size of the transaction executed for an order accounting for how this affects the price of execution.

Nature of the transaction - Any other considerations (e.g. constraints on liquidity) which are relevant to the execution of the transaction and could affect how best execution is determined.

Financial Instruments (as defined under MiFID II)

As per Directive 2014/65/EU, Financial Instruments means those instruments specified in Section C of Annex I:

(1) Transferable securities;

(2) Money-market instruments;

(3) Units in 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 derivatives instruments, financial indices or financial measures which may be settled physically 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 option of one of the parties other than by reason of default or other termination event;

(6) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;

(7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;

(8) Derivative instruments for the transfer of credit risk;

(9) Financial contracts for differences;

(10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;

(11) Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

Multilateral Trading Facility “MTF”

MiFID introduced the concept of Multilateral Trading Facilities (MTFs) to replace Alternative Trading Systems (ATs) (which had been established prior to MiFID but were not subject to specific European legislation). An MTF is a system, or "venue", which brings together multiple third-party buying and selling interests in financial instruments in a way that results in a contract, MTFs can be operated by investment firms or market operators and are subject to broadly the same overarching regulatory requirements as Regulated Markets (e.g. fair and orderly trading) and the same detailed transparency requirements as regulated markets.

Organised Trading Facility “OTF”

Any facility or system operated by an investment firm or a market operator that on an organised basis brings together third party buying and selling interests or orders relating to financial instruments. It excludes facilities or systems that are already regulated as a Regulated Market, MTF or a Systematic Internaliser.

Over the Counter “OTC”

Over the counter, or OTC, trading is a method of trading that does not take place on an organised venue such as a regulated market or an MTF.

Placed Order

Order placed with broker or intermediary for Trade Execution with no specific instructions on where the trade is executed.

Regulated Market “RM”

A Regulated Market is a multilateral system, defined by MiFID, which brings together, or facilitates the bringing together, of multiple third-party buying and selling interests in financial instruments in a way that results in a contract.

Tick Size

ESMA sets tick size regimes for shares, depositary receipts. The tick size determination is based on a two factor approach where the applicable tick size is derived from both the liquidity profile of the instrument traded and the price of the order submitted.

Systematic Internaliser “SI”

Systematic Internaliser (SIs) are institutions large enough to match client orders internally, or against their own books .They are defined in MiFID as an investment firm which, "on an organised, frequent and systematic basis, deals on own account by executing client orders outside a Regulated Market or an MTF".