

## **Information on top five execution brokers and quality of execution as per 2014/65/EU and RTS n. 28 of 8.6.2016 (reference period 2020)**

Best Execution is a set of arrangements and procedures implemented by Vontobel Asset Management SA Milan Branch (VAMSA Milan) so as to ensure the best possible result for its clients, when transmitting to third parties (executing brokers) orders in financial instruments on behalf of its clients (belonging exclusively to the category of “professional” client).

The top five execution brokers and trading volumes are reported in Annex 1 in accordance to the format set out in Table 2 of Annex II of RTS 28 (“Commission Delegated Regulation of 08.06.2016”).

In order to achieve the best possible result for its clients VAMSA Milan takes into account the following factors. The main factors taken into consideration by VAMSA Milan to define its strategy for the transmission of orders and thus ensure the best possible result are as follows:

- The total fee, composed of the price of the financial instrument and the costs of execution borne by the client and directly connected with the execution of the order;
- The speed of execution;
- The probability of execution;
- The probability of settlement;
- The size of the order;
- The nature of the order;
- And other significant factors for the execution of the order.

In defining the factors considered above, VAMSA Milan assumes that the client’s primary interest is to achieve the best possible price for the order attributed to it, taking into consideration all the costs of the transaction. It is also assumed to be in the client’s interest if the change in market prices is not detrimental thereto, and so the market is also selected depending on the probability of total execution of the order over a short period of time. Other aspects examined for the purposes of assessing the aforesaid factors are the liquidity of the place of execution to which the trader has access, the possibility of the trader using automatic devices for connecting

2/6 the places of execution such as to eliminate the manual handling of orders, and the number of places of execution to which the traders have access.

In order to establish the relative importance of the aforesaid factors, VAMSA Milan takes the following criteria into account:

- The characteristics of the client, including its classification;
- The characteristics of the order;
- The characteristics of the financial instruments forming the subject of the order;
- The characteristics of the places of execution to which the order may be sent.

VAMSA Milan uses an electronic order routing with FIX connection between its order management system and Bloomberg platform (TSOX for debt instruments, EMSX for cash equities, equity likes and derivatives (ETF and futures) and FXGO for derivatives (spot and forwards) which automatically put in competition different brokers in order to better satisfy the above-mentioned criteria.

With each broker VAMSA Milan trades a main class of financial instrument (Equity, Bond, ETF, Derivatives) chosen on the basis of the special expertise offered on that segment in terms of, mainly, quality of trading and fees.

Following brokers are considered for different classes of financial instruments.

**Cash equities and equity-likes** (Shares, exchange-traded funds, certificates and other similar financial instruments) VAMSA Milan takes into consideration a range of different factors to determine the manner in which the order will be transmitted. VAMSA Milan considers the following factors in order of importance:

#### **Importance: High**

- Total fee
- Size and nature of the order
- Likelihood of execution

Generally speaking, price and size are the key execution factors when placing an order.

#### **Importance: Medium**

- Speed
- Costs

#### **Importance: Low**

- Likelihood of settlement
- Any other factors relevant to the efficient execution of the order

3/6 When providing portfolio management, VAMSA Milan usually transmits orders to the following investment firms: **UBS AG, Morgan Stanley SE, Société Generale SA, Credit Suisse, Exane and Intesa Sanpaolo SpA.**

## Debt instruments (Bonds, structured finance products, emission allowances)

VAMSA Milan takes into consideration a range of different factors to determine the manner in which the order will be transmitted. VAMSA Milan considers the following factors in order of importance:

### Importance: High

- Total fee
- Size and nature of the order
- Likelihood of execution

Generally speaking price is the key execution factor when placing an order.

### Importance: Medium

- Speed
- Costs

### Importance: Low

- Likelihood of settlement
- Any other factors relevant to the efficient execution of the order

When providing portfolio management, VAMSA Milan usually transmits orders to the following investment firms: **Mitsubishi, JP Morgan AG, Banca Akros, Barclays Bank, Intesa Sanpaolo SpA, Société Générale SA, Toronto Dominion Bank, Octo Finance, Oppeheimer Europe and Morgan Stanley SE.**

## Derivatives (ETD and OTC)

VAMSA Milan takes into consideration a range of different factors to determine the manner in which the order will be transmitted. VAMSA Milan considers the following factors in order of importance:

### Importance: High

- Total fee
- Size and nature of the order
- Likelihood of execution

4/6 Generally speaking, price is the key execution factor when placing an order.

**Importance: Medium**

- Speed
- Costs

**Importance: Low**

- Likelihood of settlement
- Any other factors relevant to the efficient execution of the order

When providing portfolio management, VAMSA Milan usually transmits orders to the following investment firms:

**JP Morgan AG, Intesa Sanpaolo SpA and Société Générale SA.**

In respect of the above reported brokers there is not a situation of close links or common ownership with the exclusion of the broker Bank Vontobel which is part of the Group to which VAMSA Milan belongs.

(a)	(b)		(c)	(d)	(e)		(f)	(g)
	Broker's name	Identifier			Passive	Aggressive		
A3	BANK VONTOBEL AG ZURICH *	549300L7V4MGECYRM576	46.62%	26.04%	N/A	N/A	0.00%	M
A3	UBS EUROPE SE	5299007QVIQ7IO64NX37	20.03%	31.51%	N/A	N/A	0.00%	M
A3	SOCIETE GENERALE	O2RNE8IBXP4R0TD8PU41	16.89%	19.45%	N/A	N/A	0.00%	L
A3	MORGAN STANLEY	54930056FHWP7GIWYY08	16.47%	23.00%	N/A	N/A	0.00%	L
B1	BARCLAYS	G5GSEF7VJP5I7OUK5573	12.38%	11.23%	N/A	N/A	0.00%	L
B1	SOCIETE GENERALE	O2RNE8IBXP4R0TD8PU41	22.65%	13.95%	N/A	N/A	0.00%	L
B1	MORGAN STANLEY	54930056FHWP7GIWYY08	21.05%	18.48%	N/A	N/A	0.00%	L
B1	MITSUBISHI UFJ TRUST INTERNATIONAL LIMITED	213800ZXJ3S6VKHTX31	17.82%	28.99%	N/A	N/A	0.00%	L
B1	JP MORGAN SECURITIES PLC, London Branch	K6Q0W1PS1L1O4IQL9C32	9.30%	6.52%	N/A	N/A	0.00%	L
C1	SOCIETE GENERALE	O2RNE8IBXP4R0TD8PU41	100.00%	100.00%	N/A	N/A	0.00%	M
E1	SOCIETE GENERALE	O2RNE8IBXP4R0TD8PU41	93.92%	61.90%	N/A	N/A	0.00%	L
E1	BANK VONTOBEL AG ZURICH *	549300L7V4MGECYRM576	6.08%	38.10%	N/A	N/A	0.00%	L
E2	JP MORGAN AG - FRANKFURT	549300ZK53CNGEEI6A29	99.03%	97.78%	N/A	N/A	0.00%	L
E2	JP MORGAN SECURITIES PLC, London Branch	K6Q0W1PS1L1O4IQL9C32	0.97%	2.22%	N/A	N/A	0.00%	L
G1	BANK VONTOBEL AG ZURICH *	549300L7V4MGECYRM576	16.82%	5.35%	N/A	N/A	0.00%	L
G1	JP MORGAN SECURITIES PLC, London Branch	K6Q0W1PS1L1O4IQL9C32	0.54%	0.36%	N/A	N/A	0.00%	L
G1	SOCIETE GENERALE	O2RNE8IBXP4R0TD8PU41	82.64%	94.29%	N/A	N/A	0.00%	M
K1	BANK VONTOBEL AG ZURICH *	549300L7V4MGECYRM576	94.60%	68.18%	N/A	N/A	0.00%	L
K1	SOCIETE GENERALE	O2RNE8IBXP4R0TD8PU41	4.80%	27.27%	N/A	N/A	0.00%	L
K1	INTESA SANPAOLO SPA	2W8N8UU78PMDQKZENC08	0.60%	4.55%	N/A	N/A	0.00%	L

\*Group sub-delegated mandates

## Description of columns

- (a) class of financial instruments, please refer to Annex 2;
- (b) broker's name and identifier;
- (c) volume of client orders executed expressed as a percentage of total executed volume;
- (d) number of client orders executed expressed as a percentage of total executed orders;
- (e) percentage of the executed orders referred to in point (d) that were passive and aggressive orders;
- (f) percentage of orders referred to in point (d) that were directed orders;
- (g) confirmation of whether it has executed an average of less than one trade per business day in the previous year in that class of financial instruments ("L" means less; "M" means more).

- (a) Equities – Shares & Depositary Receipts
  - (i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)
  - (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)
  - (iii) Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)
- (b) Debt instruments
  - (i) Bonds
  - (ii) Money markets instruments
- (c) Interest rates derivatives
  - (i) Futures and options admitted to trading on a trading venue
  - (ii) Swaps, forwards, and other interest rates derivatives
- (d) credit derivatives
  - (i) Futures and options admitted to trading on a trading venue
  - (ii) Other credit derivatives
- (e) currency derivatives
  - (i) Futures and options admitted to trading on a trading venue
  - (ii) Swaps, forwards, and other currency derivatives
- (f) Structured finance instruments
- (g) Equity Derivatives
  - (i) Options and Futures admitted to trading on a trading venue
  - (ii) Swaps and other equity derivatives
- (h) Securitized Derivatives
  - (i) Warrants and Certificate Derivatives
  - (ii) Other securitized derivatives
- (i) Commodities derivatives and emission allowances Derivatives
  - (i) Options and Futures admitted to trading on a trading venue
  - (ii) Other commodities derivatives and emission allowances derivatives
- (j) Contracts for difference
- (k) Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)
- (l) Emission allowances
- (m) Other instruments