



Millennium
banque privée

BEST EXECUTION POLICY

Committed to you

BEST EXECUTION POLICY

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1. PURPOSE OF THE POLICY

Millennium Banque Privée (MBP) has a fiduciary duty to take all sufficient steps to obtain best execution when executing transactions for its Clients. MBP seeks to fulfil this obligation by taking into account such factors as price, commission, size of order, timing of execution, and settlement considerations. Best Execution involves both quantitative and qualitative judgments. Best price, taking into account commissions and other transaction costs, is an important factor but the selection of brokers / counterparties also involves the quality of brokerage services, factoring in such criteria as execution capability, creditworthiness, financial stability, clearance and settlement capability. As a result, while MBP generally seeks the best price available under the circumstances, each transaction may not necessarily reflect the best price or the lowest commission rate.

2. SELECTION AND USE OF BROKERS

MBP has adopted procedures relating to its dealings with counterparties with which it transacts. Before adding a broker-dealer to its approved list of counterparties, MBP Counterparty Risk officers conduct a credit analysis of the broker-dealer. It is the responsibility of the MBP Trading Desk to ensure that each counterparty with whom MBP trades has been approved by Management.

When determining whether a broker is qualified to provide services to its Clients MBP considers, among others, the following relevant factors (see Appendix I - Execution Venues, Brokers and Counterparties Used).

- Reputation - financial strength and stability of the broker
- Likelihood of execution - accuracy, clearance and error/dispute resolution
- The quality and efficiency of the settlement process post-execution
- Capacity to execute at the best price
- Overall costs of trades including commissions, mark-ups, mark-downs and/or spreads
- Speed of execution and
- Nature & size of deals

3. SELECTION OF EXECUTION VENUES AND BROKERS

In selecting an execution venue, MBP will consider price, execution costs, available liquidity for the instruments being traded, speed of execution, reliability, likelihood of execution and settlement, continuity of trading, creditworthiness of the venue and quality of any related clearing and settlement facilities. The selected execution venues and any alternatives available will be assessed on a regular basis. The venues on which MBP places significant reliance and which it believes offer the best prospects for MBP to obtain Best Execution for Clients on a consistent basis are (see Appendix I - Execution Venues, Brokers and Counterparties Used):

- Regulated markets
- Other exchanges
- Market Makers
- Liquidity providers
- Multilateral trading facilities
- Organised trading facilities

4. EXECUTION FACTORS

The manner in which an order is executed can be affected by various factors. In determining how each of the orders will be executed MBP will take into account the following:

- price
- costs
- speed of execution
- likelihood of execution
- speed of settlement
- likelihood of settlement

5. EXECUTION CRITERIA

To assess the relative importance of best execution factors when a client order is executed, MBP considers the following criteria:

- client characteristics
- order characteristics (limit order, market price order, “stop-loss” order)
- characteristics of the financial instrument covered by the order
- characteristics of the execution venues

6. EXECUTION POLICY

MBP will execute the client order in line with other comparable client orders sequentially and promptly, unless (i) the characteristics of the order or prevailing market conditions make this impracticable; or (ii) the client’s interests require otherwise.

Where specific instructions are not provided, MBP will execute and allocate the order as soon as reasonably practicable, unless MBP reasonably considers that delaying the execution of the order is in the client’s best interests. When executing the order, MBP may decide to aggregate the order with a transaction of another client. Such aggregation will be made, for example, to provide a better price or to reduce transaction costs by allowing MBP to execute in larger size. The order will only be aggregated if it is unlikely that the aggregation will work overall to the client’s disadvantage. When MBP is unable to fill an aggregated order in full, the executed notional will be allocated on a fair and equitable basis.

MBP will endeavor to communicate the order execution and allocation status of the order to the client as soon as reasonably practicable. (See Appendix II for the priority of execution factors by asset class).

6.1. Client Instructions

When a specific instruction for the execution of an order is given by the client, then the order will be executed in accordance with those instructions subject to compliance with local regulation. The client should be aware that providing such instructions may prevent MBP from obtaining best execution for such orders.

6.2. Prohibited Practices

With respect to the selection of broker / counterparties, the following practices are prohibited:

- Trades may not be directed in return for error corrections by a broker;
- Trades may not be directed in return for gifts and/or entertainment;
- Traders and Portfolio Managers must take care not to be influenced by any personal conflicts of interest, such as family relationship with an employee or owner of a brokerage firm. The existence of any such conflicts must be disclosed to MBP Compliance and the head of MBP Trading Desk.

7. **BEST EXECUTION MONITORING AND REVIEW**

MBP will monitor the effectiveness of the execution arrangements, and when appropriate, implement corrective actions to address any deficiencies that may be identified. MBP reviews this Policy at least annually, as well as whenever a material change occurs that affects its ability to continue to obtain Best Execution on a consistent basis. MBP intends to publish material amendment to the Policy or its execution venues on its website:

https://www.millenniumpbp.ch/media/17881/top-5-execution-venue-reporting_2019.pdf

8. **BEST EXECUTION REPORTING**

MBP is required to annually publish information, for each class of Financial Instruments, on the top five execution venues (in terms of trading volumes) where orders were executed during the preceding year and publish information on the quality of execution obtained for all the execution venues that are used. This information will be made available on our website by the end of April of each year covering the previous calendar year.

APPENDIX I

EXECUTION VENUES, BROKERS AND COUNTERPARTIES USED

MBP may use execution venues, brokers and counterparties as defined under section 2 and 3 when seeking best execution. The list, which is available on MBP's website using the links below, may be subject to change and may be revised from time to time.

https://www.millenniump.ch/media/17881/top-5-execution-venue-reporting_2019.pdf

In exceptional circumstances, MBP may use brokers not on the Approved List (for example, using a broker on a provisional basis or where the instrument to which the order relates is particularly unusual) and remove any brokers from the Approved List. In addition, MBP will add and remove brokers to and from the Approved List in accordance with its regular practices as described in this Execution Policy.

APPENDIX II

GENERAL FACTORS CONSIDERED FOR DIFFERENT CLASSES OF FINANCIAL INSTRUMENTS

MBP will generally take into account the following factors in seeking best execution. Although these factors will generally be considered as listed below, MBP reserves the right to modify the order of importance on a trade by trade basis when particular conditions requires it.

Asset Class	Liquid Market	Less Liquid Market	Other
Equities and equity like listed derivatives	<p>1 and 2. Price and Cost Due to the high availability of liquidity across a number of different venues, we place the highest importance on prices.</p> <p>3. Speed Relevance of speed as an execution factor will depend on the investment strategy. It will generally be of second importance.</p> <p>4. Size</p> <p>5. Likelihood of execution</p> <p>6. Other considerations Other factors are less relevant when trading very liquid listed instruments.</p>	<p>1 and 2. Size and likelihood of execution in illiquid markets, size is a key consideration. Capacity to execute large orders will generally be prioritised over</p> <p>3. Price</p> <p>4. Speed</p> <p>5. Cost</p> <p>6. Other consideration other factors are less relevant in illiquid markets</p>	<p>Portfolio's strategy and Portfolio Managers' instructions (e.g. price limit orders, end of day order or FX fixing series orders) will have a significant influence on order handling and execution</p>
Fixed income including money market and convertible bonds	<p>1 and 2. Price and Cost Price is the key consideration. Cost is important and will vary depending on trades</p> <p>3. Speed Importance of speed will vary according to the instrument (e.g. for volatile products speed will become more important)</p> <p>4. likelihood of execution</p> <p>5. Size</p> <p>6. Other considerations Other factors are less relevant when trading very liquid instrument</p>	<p>1. Price in less liquid markets, price remains the main factor taken into consideration</p> <p>2. Size and likelihood of execution in illiquid market, the capacity to execute large orders is a key consideration which will come second in line after the price.</p> <p>3. Speed</p> <p>4. Cost</p> <p>5. Other considerations other factors are less relevant when trading less liquid instruments</p>	

Asset Class	Liquid Market	Less Liquid Market	Other
FX	<p>1 and 2. Price and Cost Price is the key consideration. Cost is important and will vary depending on trades</p> <p>3. Speed Importance of speed will vary according to the instrument (e.g. for volatile products speed will become more important)</p> <p>4. Size</p> <p>5. likelihood of execution</p> <p>6. Other considerations Other factors are less relevant when trading very liquid instrument</p>	<p>1. Price in less liquid markets, price remains the main factor taken into consideration</p> <p>2. likelihood of execution in illiquid market, the capacity to execute an orders is a key consideration which will come second after the price.</p> <p>3. Cost</p> <p>4. Size</p> <p>5. Speed</p> <p>6. Other considerations</p>	
Derivatives	<p>1. Price Price is the key consideration</p> <p>2. likelihood of execution for equivalent price, the capacity to execute an order is a key consideration</p> <p>3. Cost</p> <p>4. Size</p> <p>5. Likelihood of settlement</p> <p>6. Other considerations</p>	<p>1. likelihood of execution In illiquid markets the capacity to execute the order will generally be prioritised over price</p> <p>2. Price In less liquid markets price remains a key consideration</p> <p>3. Cost</p> <p>4. Size</p> <p>5. Likelihood of settlement</p> <p>6. Other considerations</p>	