



**INVESTMENT TECHNOLOGY GROUP LIMITED
ORDER EXECUTION POLICY**

EFFECTIVE 3 JANUARY 2018

Introduction

Directive 2014/65/EU on markets in financial instruments (“MiFID II”) requires investment firms to take all sufficient steps to obtain, when executing orders, the best possible result for their clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

This Order Execution Policy defines Investment Technology Group Limited (“ITGL”) approach to complying with its best execution obligation on a consistent basis, and aims to explain clearly, in sufficient detail and in a way that can be easily understood by clients, how client orders will be executed.

ITGL is authorized by the Central Bank of Ireland (“CBol”) under the Markets in Financial Instruments Directive (MiFID) for;

- Receiving/transmitting orders;
- Executing client orders;
- Dealing on own account;
- Investment advice; and
- Operation of POSIT MTF.

This policy applies to orders in equity or equity-like financial instruments that ITGL receives, transmits, and executes on behalf of Professional clients as defined in MiFID II. The policy is designed to ensure that ITGL will obtain the best possible result for its clients when executing client orders.

Factors ITG will take into account to achieve best execution

When executing client orders ITGL will take all sufficient steps to obtain the best possible result for the client taking into account the following execution factors:

- Price
- Costs
- Speed
- Likelihood of execution and settlement
- Size
- Nature

and any other consideration relevant to the execution of the order. In executing orders, ITGL will consider the factors above and seek to execute orders in line with client instructions.

Client instructions may include considerations and constraints such as speed of execution, trading horizon, target benchmark, execution schedule, urgency, and trading sessions in which to participate.

During the execution of an order, ITGL may use a combination of various approaches for order placement and venue selection. In employing these approaches, the relative importance of the various execution factors will depend on the instructions of the client, the characteristics of the client order, the characteristics of the financial instrument concerned, and the characteristics of the execution venues to which the order may be directed.

One such approach is where ITGL may seek to execute using ‘passive’ orders (i.e. earning the spread), where available liquidity, order timing, and other constraints allow. In choosing venues on which to place such orders, likelihood of execution will be a key consideration and may be informed by both historical and intraday metrics.

Another approach is where ITGL looks for midpoint execution opportunities across various types of execution venue – both ‘lit’ and ‘dark’. Price and likelihood of execution are considered key factors here, and so in interacting with these venues ITGL will take into account both information leakage and adverse selection concerns, and seek to mitigate these through the use of techniques such as various order types, and stock- and venue-specific minimum execution size. The specific way in which these techniques are used may be informed by post-trade analysis.

A third approach is where ITGL seeks ‘far-touch’ or ‘aggressive’ executions (i.e. crossing the spread). Some examples of techniques used in this approach include interaction with ‘lit’ markets (e.g. exchanges) or Electronic Liquidity Provider Systematic Internalisers (“SIs”). In these types of interaction, where ITGL sends orders in response to quotes, in addition to the concerns of information leakage and adverse selection listed above, likelihood of execution will also be a key consideration.

Execution venues

A list of venues used by ITGL to execute client orders is attached in Schedule 1 to this policy.

ITGL execution venues may include regulated markets, Multilateral Trading Facilities (MTF), SIs, and third party brokers or other liquidity providers (including non-EEA entities). Multilateral trading facilities can include central limit order books, ‘dark’ (non pre-trade transparent) order books, and periodic auction venues.

ITGL will obtain a client’s consent prior to executing a client order outside of a Regulated Market or MTF.

On a periodic basis, the Execution Review Committee (ERC) reviews the venues ITGL uses to assess their contribution to enabling ITGL to obtain ‘best execution’ when executing client orders. The ERC also reviews other venues that ITGL is not connected to but may enable ITGL to obtain the best possible results for its clients when executing client orders. Additional considerations when reviewing other venues that ITGL may connect to include:

- (i) The market share held by a venue:
- (ii) Mechanics of the venue: and
- (iii) Performance over time.

Use of third party brokers (including affiliates)

ITGL may use third party brokers for execution of client orders in non-member and member markets.

Use of third party brokers, including ITG affiliate brokers, is reviewed periodically by the business and support groups, including a review by the ERC.

Generally ITGL seeks to maintain control of routing decisions where possible, but there may be cases where control of routing and timing decisions is taken by a third party broker, including an ITG affiliate broker.

Access to a specific market

Where accessing specific exchanges, MTFs, or other venues through third party brokers, ITGL will seek to provide specific routing decisions.

One scenario where specific routing instructions for gaining access to another market may not be possible is in accessing a bank’s systematic internaliser through the bank’s algorithm or SOR, in which case the bank’s algo/SOR may direct ITGL orders to an external venue for execution in addition to the bank’s own systematic internaliser.

ITGL may use third party brokers for execution in areas outside of EMEA. Subject to compliance with applicable rules and regulations, ITGL may use affiliate brokers to access markets outside of Europe, Middle East and Africa. These affiliate brokers include:

- ITG Australia Ltd;
- ITG Canada Corp;
- ITG Hong Kong Limited; and
- ITG Inc.

Reviews

This policy will be reviewed annually by the ERC or where a material change occurs. ITGL may modify this policy at any time. ITGL will notify clients of any material changes to this policy and any such amendments will be published on the ITGL website at: <https://www.itg.com/about/compliance/>

Specific instructions and responsibilities

Should ITGL receive a specific instruction from a client ITGL will execute the order in accordance with that specific instruction. Where this occurs, ITGL will be deemed to have provided 'best execution' in relation to the particular aspect on which ITGL has received the relevant client instructions.

Our commitment to achieve 'best execution' does not mean that we owe clients any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

Communications

If clients have any questions about this Policy please contact your Account Executive or ITG's Compliance Department at +353 (0)1 6338023 (e-mail: ITGE-Legal&Compliance@itg.com).

Schedule 1

List of Venues

Member Markets:

London Stock Exchange (incl. AIM and International Order Book)
Deutsche Boerse
Euronext (Brussels, Paris, Lisbon and Amsterdam)
POSIT
Chi-X
BlockMatch
Turquoise
Turquoise Plato Block Discovery
Cboe BXE
Cboe CXE
Cboe LIS
UBS MTF
SIGMA X MTF
AQUIS

Non-Member Markets:

SIX Swiss Exchange
Nasdaq Copenhagen (Copenhagen Stock Exchange)
Nasdaq Helsinki (Helsinki Stock Exchange)
Nasdaq Stockholm (Stockholm Stock Exchange)
Nasdaq Estonia
Nasdaq Latvia
Nasdaq Lithuania
Irish Stock Exchange
Borsa Italiana
Oslo Bors (Oslo Stock Exchange)
Bolsas y Mercados Espanoles
Athens Stock Exchange
Wiener Borse AG (Vienna Stock Exchange)
Johannesburg Stock Exchange Limited
Budapest Stock Exchange (Hungary)
Warsaw Stock Exchange (Poland)
Prague Stock Exchange (Czech Republic)
Borsa Istanbul (Turkey)
Tel Aviv Stock Exchange (Israel)
Cyprus Stock Exchange
Credit Suisse SI
JP Morgan SI
Win-X
Virtu SI
Abu Dhabi Securities Market
Dubai Financial Market
Nasdaq Dubai
Qatar Exchange
Ljubljana Stock Exchange
Egyptian Exchange
Casablanca Stock Exchange
Moscow Exchange
Bahrain Stock Exchange
Kuwait Stock Exchange
Muscat Securities Market
Saudi Stock Exchange

Amman Stock Exchange
Ghana Stock Exchange
Nairobi Securities Exchange
Nigerian Stock Exchange
Tokyo Stock Exchange

Local Brokers

Alpha Finance Investment Services S.A.
Alpha Wertpapierhandels GmbH
Arden Partners Plc
Arqaam Capital Limited
Aviate Global LLP
Baader Bank AG
Banco Bilbao Vizcaya Argentaria S.A.
Bank Hapaolim B.M.
Bank Vontobell Zurich
Haitong Securities
Haitong Securities (Poland)
Haitong Securities (Portugal)
Barclays Stockbrokers Limited
BCS
Berenberg Bank
BGC Brokers LP (formerly Mint Partners)
Bloomberg Trade Book Europe Limited
BMO Capital Markets Limited
BNP Paribas
Brewin Dolphin Limited
BTIG Limited
C.M. Capital Markets Bolsa S.V.S.A
Canaccord Genuity Limited
Cantor Fitzgerald Europe Limited
Carax UK LLP
Carax S.A.
Carnegie Bank AS
Cenkos Securities Plc
Centrosim S.P.A
Charles Stanley & Co Limited
Citigroup Global Markets Limited
Commerzbank AG
Credit Suisse Securities (Europe) Limited
Deniz Yatirim Menkul Degerler A.S.
Deutsche Bank AG
Dexion Capital plc
EFG Private Bank Limited
Erik Penser Bankaktiebolag
Equita SIM S.p.A
Exane Limited
Excellence Nessuah Brokerage Services Limited
Execution Noble Limited
Exotix Partners LLP
Finans Yatirim Menkul Degerler A.S.
Finncap Limited
Fiske PLC
Flow Traders B.V.
Fox Davis Capital Limited
GMP Securities Europe LLP
Goldman Sachs International
Goodbody Stockbrokers
Hargreave Hale Limited

Haywood Securities (UK) Limited
Hume Capital Securities plc
IG Markets Limited
ICAP Securities Limited
iDealing.com Limited
ING Bank NV
ING Barings Ltd
Instinet Europe Limited
Interdin Bolsa, Sociedad De Valores, S.A.
Investment Bank of Greece S.A.
Investec Bank PLC
Investec Securities Proprietary Limited
ITNL FCStone Financial Inc.
J & E Davy
J. P. Morgan Securities plc
Jarvis Investment Management Limited
Jeffries International Limited
Jones Trading International Limited
KBC Securities NV
KCG Europe Limited
Kepler Cheuvreux
Edmond de Rothschild Securities (UK) Limited
Liberum Capital Limited
Matrix Corporate Capital LLP
Macquarie Bank Limited
Merrill Lynch International
Morgan Stanley
N+1 Singer Capital Markets
Neonet Securities AB
Nomura Code Securities Limited
Nomura International PLC
Nordea Bank AB
Nordnet Bank AB
Northland Capital Partners Limited
Novus Capital Markets Ltd
Numis Securities Limited
Oddo et CIE
Olivetree Securities Ltd
Oriel Securities Limited
Okritie Capital International Ltd
Panmure Gordon (UK) Limited
Peel Hunt LLP
Pictet & Cie (Europe) S.A.
Piraeus Securities S.A.
OP Corporate Bank plc
RBC Capital Markets
RCB Capital Markets
Redburn (Europe) Limited
Renaissance Capital Limited
Royal Bank of Canada Europe LD
Santander Investment Bolsa, S.V., S.A.
Skandinaviska Enskilda Banken AB
Shore Capital Stockbrokers Limited
Singer Capital Markets Limited
Societe Generale SA
Speirs and Jeffrey Limited
State Street Bank & Trust Co
Swedbank AB
Tavira Securities Limited
Tera Menkul Degerler

Thebe Stockbroking Party Limited
Trinity Group Limited
UBS AG
Vantage Capital Markets LLP
W H Ireland Limited
Stockdale Securities Limited
Winterflood Securities Limited
XCAP
Yatirim Finansman Menkul De Erler A.S.

STC Brokers

ABG Sundal
Arctic Securities ASA
Aviate Global LLP
Baader Bank
Bankhaus Lampen
Bank Inter
Bank Vontobel
Barclays Stockbrokers Limited
Berenberg Bank
BNY Convergenx Limited
BZ Bank
Canaccord Genuity
Cantor Fitzgerald
Carnegie Investment Bank
Cenkos Securities Plc
Citigroup Global Markets
Commerzbank
Credit Suisse Securities (Europe) Ltd
Danske Bank
Davy Stockbrokers
Deutsche Bank AG
Dexion Capital Plc
DNB Markets
Equinet Bank AG
Equita SIM SpA
Exane
Goldman Sachs International
Goodbody Stockbrokers
Haitong Securities (UK) Limited
Helvea SA
HSBC
ICAP Securities Limited
Instinet Europe Limited
Intermonte SIM
Investec
JB Capital Markets
Jeffries International Limited
JP Morgan Securities Plc
KCG Europe Limited
Kempen & Co
Kepler Cheuvreux
Landesbank Baden-Wuerttemberg
Liberum Capital Limited
LiquidNet Ltd
Louis Capital Markets
Macquarie
Mainfirst Bank AG

Merrill Lynch International
Merrion Stockbrokers
Metzler
Morgan Stanley
Natixis
Nomura International Plc
Numis Securities
Olivetree Securities Ltd
OppenheimerEurope Limited
Panmure Gordon
Pareto Securities AS
RBC Capital Markets
Redburn Europe Limited
Renaissance Capital
Sanford Bernstein & Co
Santander
Singer Capital Markets
SEB Enskilda
Societe Generale
Standard Bank
Stifel Nicolas
Svenska Handelsbanken
Tavira Securities
UBS Limited
Winterfloods
Wood & Co.

ETF Brokers

Bluefin Europe LLP
BCS
Cantor Fitzgerald
Commerzbank
Citadel Securities (Europe) Limited
DNB Markets
DRW Investments UK Limited
Flow Traders
Goldenberg Hehmeyer LLP
Jane Street Financial Limited
KCG Europe
IMC Trading BV
Mint Partners
Optiver V.O.F.
SSW Market Making GMBH
Susquehanna International Securities Limited
Tullet Prebon ETF (Securities) Ltd
Unicredit Bank AG
Virtu Financial Ireland Limited

ITG Affiliate Brokers for non EMEA stocks

ITG Australia Ltd
ITG Canada Corp
ITG Hong Kong Limited
ITG Inc