



FIDEURAM  
ASSET MANAGEMENT IRELAND

# Transmission Policy

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## **1. Purpose.**

This documents sets out information on Fideuram Asset Management (Ireland) Limited (“Fideuram”) and approaches to providing “Best Execution” as required by the Markets in Financial Instruments Directive (MiFID).

In particular, MiFID requires Fideuram to take all reasonable steps to obtain the best possible result for clients, taking into account price, costs, likelihood of execution and settlement, speed of execution, size and nature of the order and any other consideration relevant to the execution of the order, whether Fideuram is placing orders with, or passing orders to, others for execution.

This means that Fideuram has in place policies and procedures which are designated to achieve the best possible result, subject to and taking into account the nature of the order, the product and the markets involved.

This overarching obligation to obtain the best possible result for clients is referred to, in this policy, as its obligation of “Best Execution”.

Best Execution obligation is part of the more general principle of Best Interest Duty that imposes Fideuram to act honestly, fairly and professionally in accordance with the best interests of its clients.

As a consequence, the execution policy overlaps with other MiFID obligations and should be read in connection with Fideuram’s Conflict of Interest Policy, Inducement Policy and Policy on Personal Transaction.

## **2. Scope.**

The Best Execution obligation applies when Fideuram is transmitting an order on behalf of a client classified by Fideuram as “Professional Client” and in respect of any of the Financial Instruments as defined in MiFID.

## **3. Determining Best Execution: the relevant factors**

When transmitting orders on behalf of a client in relation to Financial Instruments, Fideuram will take all reasonable steps to achieve Best Execution.

Fideuram will determine the relative importance of execution criteria using its judgment and experience, evaluation of market information available at the time of execution and its knowledge of the client.

The factors relevant to its consideration as to whether Best Execution has been obtained include:

- price;
- costs;
- likelihood of execution and settlement;
- speed of execution;
- size and nature of the order
- any other relevant consideration to the extent that they can reasonably be expected to influence the total outcome.

Price will ordinarily merit a high relative importance in obtaining the best possible result, however, taking into account the classification as a professional client, the relative importance Fideuram attaches to each of the

transmission criteria will depend on:

- the characteristics of the financial instrument concerned;
- the characteristics, size of the order Fideuram is transmitting for execution;
- the characteristics of the execution venue to which the order will be transmitted.

The best price will be determined in terms of the total consideration, representing the price of the Financial Instrument and the costs related to execution, including all expenses incurred by the client which are directly related to the execution order and the execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution order.

Fideuram will not structure or charge its commission in any way that discriminates unfairly between execution venues.

Fideuram will transmit the client's order to a broker or a dealer (which may be non-EEA) for execution. The orders Fideuram pass on for execution may be also executed by the broker outside a regulated market or a multi-lateral trading facility.

Fideuram best execution policy includes, for each Financial instrument, those brokers that Fideuram considers enable itself to obtain Best Execution on a consistent basis. These are set out in Annex 1 (Broker List). The list could be updated from time to time as a result of the monitoring activity described at point 10.

Having regard to the classification as a professional client, when transmitting an order for execution Fideuram will prioritise the factors described above differently. For example, brokers will be prioritised for selection depending on the nature and size of the order, the nature of the financial instrument concerned, the brokers access to markets i.e. whether they are a global or regional broker, the brokers execution capabilities, past settlement quality and the number of venues the broker has access to.

Fideuram, in providing the client with best execution, is to exercise the same standards and operate the same processes across all the different markets and Financial Instruments on which Fideuram transmits orders.

However, the diversity in those markets and instruments and the kind of orders that Fideuram may place with brokers in those markets will mean that different factors will have to be taken into account when Fideuram assesses the nature of its policy in the context of different instruments and different markets.

For example, there is no formalised market or settlement infrastructure for over-the-counter transactions. In some markets, price volatility may mean that the timeliness of execution is a priority, whereas, in other markets that have low liquidity, the fact of execution may itself constitute best execution.

In other cases, its choice of broker may be limited (even to the fact that there may only be one platform/market upon which we can execute orders) because of the nature of the order or of client's requirements.

While Fideuram will take all reasonable steps based on the resources available to it to satisfy itself that Fideuram has processes in place that can reasonably be expected to lead to the delivery of Best Execution, Fideuram cannot guarantee that the client will always get Best Execution.

A Summary of the Transmission Policy is provided in Annex 2.

#### **4. The broker approval and its monitoring processes.**

Fideuram maintains a list of brokers to whom it will transmit orders for execution, using only the brokers authorized by the Fideuram's Board of Director.

All the brokers to whom Fideuram will transmit orders adopt an execution policy, reviewed by Fideuram, which is compliant with Fideuram best execution policy in terms of importance given to the relevant executing factors.

Fideuram will assess, on a regular basis, the quality of execution afforded by brokers.

#### **5. Best Execution obligation in some limited circumstances.**

In some cases the Best Execution Obligation technically applies, but, because of the nature of the order given by the client, or of the transaction, the obligation is satisfied.

These cases are:

- *Single venue transactions*: where the nature of the transaction results in there being only one venue and therefore the only pricing consideration is time of execution. It, therefore, precludes the use of comparable prices;
- *Highly structured off-exchange transactions*: due to the unique contractual structure entered into between the client and Fideuram, it is not possible to provide any comparisons with other transactions or instruments.

In other cases, as aforementioned, given the differences in market structures or the structure of the Financial Instruments, it may be difficult to apply an uniform standard of procedure that would be valid for all classes of instruments. Therefore the Best Execution obligation should be applied taking into account the different circumstances related to the particular types of Financial Instruments. For example, where the transaction involves a *customised OTC Financial Instrument* tailored to the circumstances of the client, MiFID recognises that the transaction is a unique contractual relationship and therefore there is little or nothing against which to compare the transaction in the market.

#### **6. Specified Instructions.**

When a client gives specific instructions with respect to an order, Fideuram will receive and transmit the order in accordance with the client's specific instructions. In doing so, Fideuram may not achieve the best possible result for the client that might have otherwise been achieved by following this order transmission/execution policy. When a client's specific instructions only relate to part of an order, Fideuram will continue to apply its order transmission/execution policy to those portions of the order not covered by specific instructions.

#### **7. Limit Order.**

Fideuram may instruct the executing broker not to make public any order that is not immediately executed.

## **8. Prior Consent**

Fideuram requests the prior consent of its direct clients to the best execution policy. This can be tacit. Clients will be deemed to have provided such consent where they provide a mandate to Fideuram.

Fideuram is requests the prior express consent of its direct clients before proceeding to execute the client's orders outside a Regulated Market or a MTF.

## **9. Record keeping**

Fideuram will retain the records of its activity for a period of five years in accordance with MiFID rules.

## **10. Monitoring and Review**

Fideuram will monitor the effectiveness of its execution arrangements and policy and assess on a regular basis whether the brokers included in the policy provide the best possible result for orders Fideuram executes on client's behalf.

As mentioned above, Fideuram will also assess its brokers at least annually to ensure they continue to meet Fideuram's requirements.

Fideuram will review this policy and its execution arrangements at least annually as well as any material change occurs to ensure that it continue to deliver the best possible result for its clients.

If there is a material change to its best execution policy Fideuram will notify its clients to make them aware of the change.

## 11. Annex 1 – Broker List

Fideuram may use the following brokers when obtaining best execution as defined by MiFID. This list is not exhaustive and may be subject to changes as described in the above best execution policy and may be revised from time to time. Fideuram may also use other brokers not listed below where it deems appropriate in accordance with its best execution policy and remove any brokers from the list.

### List of Counterparts for trading of orders on listed equities and listed derivatives

Type of instrument	Brokers	
<b>Equity Italy</b>	BANCA AKROS SPA BANCA FIDEURAM SPA Banca IMI Banco Santander Bank of America Merrill Lynch CA IB International Market CANACCORD GENUITY CANTOR FITZGERALD CLSA Citigroup Commerzbank DAVY Deutsche Bank EQUITA SIM SPA EXANE Group GOODBODY STOCKBROKERS Goldman Sachs London	Intermonte Ist. Centr. delle Banche Pop. Italiane JP Morgan KEFFEFGROUP KEPLER Chevreux MAINFIRST BANK AG Mediobanca Morgan Stanley NCBGROUP Nomura REDBURN Partners Royal Bank of Canada Capital Markets SOCIETE GENERALE Mitsubishi UBS Unicredit VIEL TRADITION GROUP

Type of instrument	Brokers	
<b>Equity Europe</b>	BANCA AKROS SPA BANCA FIDEURAM SPA Banca IMI Bank of America Merrill Lynch Barclays Plc CANACCORD GENUITY CANTOR FITZGERALD Citigroup Commerzbank Credit Suisse DAVY Deutsche Bank EQUITA SIM SPA EXANE Group GOODBODY STOCKBROKERS Global Prime Partners Goldman Sachs London	Intermonte Ist. Centr. Delle Banche Pop. Italiane JP Morgan KEPLER Chevreux MAINFIRST BANK AG Mediobanca Mirabaud Securities Morgan Stanley Nomura REDBURN Partners ROYAL BANK OF SCOTLAND Royal Bank of Canada Capital Markets SANFORD BERNSTEIN SOCIETE GENERALE State Street UBS VIEL TRADITION GROUP

Type of instrument	Brokers	
<b>Equity US</b>	Atlantic Equities LLP BANCA FIDEURAM SPA BGC FINANCIAL LP Banca IMI Banco Santander Bank of America Merrill Lynch Barclays Plc CA IB International Market CANTOR FITZGERALD CLSA Citigroup Credit Suisse Deutsche Bank	Goldman Sachs London JP Morgan KEFFEFGROUP Morgan Stanley Oppenheimer EU Ltd RAYMOND JAMES US Royal Bank of Canada Capital Markets SANFORD BERNSTEIN State Street Mitsubishi UBS VIEL TRADITION GROUP

Type of instrument	Brokers	
<b>Equity Japan</b>	Bank of America Merrill Lynch Barclays Plc CANTOR FITZGERALD CLSA Citigroup Credit Suisse Daiwa Deutsche Bank Goldman Sachs London JP Morgan	KBCF Macquarie Mizuho International plc Morgan Stanley Nomura PALI SMBC Nikko Capital Markets Limited Mitsubishi UBS

Type of instrument	Brokers	
<b>Equity Asia ex-Japan</b>	BNP Paribas Bank of America Merrill Lynch Barclays Plc CANTOR FITZGERALD CIMB CLSA China Inter. Capital Corporation (UK) Citigroup Credit Suisse DBS Vickers Securities (UK) Ltd Daiwa	Deutsche Bank Goldman Sachs London JP Morgan Macquarie Morgan Stanley Nomura SANFORD BERNSTEIN Samsung Securities (Europe) Ltd Mitsubishi UBS

Type of instrument	Brokers	
<b>Equity Australia</b>	Bank of America Merrill Lynch Barclays Plc Bell Potter Securities Limited CANTOR FITZGERALD CLSA Citigroup Credit Suisse Daiwa	Deutsche Bank Goldman Sachs London JP Morgan Macquarie Morgan Stanley Nomura Mitsubishi UBS

Type of instrument	Brokers	
<b>Equity Latin America</b>	BTG Pactual Europe LLP Banco Bradesco Banco Santander Bank of America Merrill Lynch Barclays Plc CLSA Citigroup Credit Suisse	Deutsche Bank Goldman Sachs London JP Morgan LarrainVial S.A. Morgan Stanley Nomura UBS UNIBANCO ITAU

Type of instrument	Brokers	
<b>Equity EMEA Emerging</b>	Bank of America Merrill Lynch Barclays Plc CLSA Citigroup Credit Suisse Deutsche Bank Goldman Sachs London	JP Morgan Macquarie Morgan Stanley Nomura UBS VTB Capital Plc



**List of Counterparts for trading of orders on bonds and listed derivatives**

Type of instrument	Brokers	
<b>Fixed Income - Governatives</b>	BANCA FIDEURAM SPA Banca IMI BNP Paribas Banco Bilbao Vizcaya Argentaria SA Banco Santander Bank of America Merrill Lynch Barclays Plc CA IB International Market Citigroup Commerzbank Credit Suisse DAVY Danske Markets Deutsche Bank Evolution Securities FREIMARK BLAIR & CO, INC	Goldman Sachs London HSBC JP Morgan Jefferies International Limited Banca Monte dei Paschi di Siena Morgan Stanley Natixis Nomura Oppenheimer EU Ltd ROYAL BANK OF SCOTLAND SOCIETE GENERALE Mitsubishi The Toronto- Dominion Bank UBS Unicredit VTB Capital Plc

Type of instrument	Brokers	
<b>Fixed Income - Credit</b>	BANCA FIDEURAM SPA Banca IMI BNP Paribas Banco Santander Bank of America Merrill Lynch Barclays Plc CA IB International Market Citigroup Commerzbank Credit Suisse DAVY Danske Markets Deutsche Bank Evolution Securities FREIMARK BLAIR & CO, INC Goldman Sachs London HSBC	Intermonte JP Morgan Jefferies International Limited Knight Capital Europe Limited Mizuho International plc Banca Monte dei Paschi di Siena Morgan Stanley Natixis Nomura ROYAL BANK OF SCOTLAND SOCIETE GENERALE Mitsubishi The Toronto- Dominion Bank UBS Unicredit VTB Capital Plc

Type of instrument	Brokers	
<b>Fixed Income - GEMA</b>	Banca IMI BNP Paribas Banco Bilbao Vizcaya Argentaria SA Banco Santander Bank of America Merrill Lynch Barclays Plc CA IB International Market Citigroup Commerzbank Credit Suisse DAVY Danske Markets Deutsche Bank Evolution Securities FREIMARK BLAIR & CO, INC	Goldman Sachs London HSBC JP Morgan Jefferies International Limited Banca Monte dei Paschi di Siena Morgan Stanley Natixis Nomura Oppenheimer EU Ltd ROYAL BANK OF SCOTLAND Mitsubishi The Toronto- Dominion Bank UBS Unicredit VTB Capital Plc

**List of Counterparts for trading of orders on OTC derivatives**

Type of instrument	Brokers	
<b>OTC derivatives</b>	BANCA FIDEURAM SPA BANCA IMI SECURITIES CORP BANCA IMI SPA BARCLAYS PLC BARCLAYS CAPITAL SECURITIES LTD BNP Paribas CALYON (HOLDINGS) LTD CITIGROUP GLOBAL MARKETS LTD CLSA CAPITAL LTD CLSA UK CREDIT AGRICOLE CHEUVREUX SA CREDIT AGRICOLE CORP. & INV. BANK CREDIT SUISSE INTERNATIONAL LTD CREDIT SUISSE AG (FIRST BOSTON) CREDIT SUISSE NY (FIRST BOSTON) CREDIT SUISSE SEC. EUROPE LTD DEUTSCHE BANK AG	DEUTSCHE BANK AUSTRALIA DEUTSCHE MORGAN GRENFELL GROUP PLC HSBC HOLDINGS PLC INTESASANPAOLO SPA MACQUARIE BANK LTD MACQUARIE SECURITIES LTD MITSUBISHI UFJ FINANCIAL GROUP MITSUBISHI UFJ SECURITIES INT. PLC MORGAN STANLEY & CO INT. PLC / LTD MORGAN STANLEY JERSEY LTD ROYAL BANK OF SCOTLAND SOCIETE GENERALE UBS AG UBS INVESTMENT BANK UBS ITALIA SIM SPA UBS WEALTH MANAGEMENT UNICREDIT BANCA MOBILIARE (UBM)

## **12. Annex 2 – Transmission Policy Summary**

### **Transmission Policy Summary**

**for**

**Professional Clients**

**Fideuram Asset Management (Ireland) Limited (“Fideuram”)**

#### **PART ONE: THE BEST EXECUTION REQUIREMENT**

1. When providing the receipt, transmission and execution of orders services we will take all reasonable steps to ensure that “best execution” is achieved.
2. We will review this policy and our execution arrangements at least annually to ensure that they continue to deliver the best possible result for our clients. We will also assess our brokers at least annually to ensure they continue to meet our requirements. When reviewing to ensure best execution was obtained, we will take into consideration a range of different factors as set out at Part Two.
3. Our commitment to achieve “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.
4. The orders we pass on for execution may be executed by a broker outside a regulated market or a multi-lateral trading facility.
5. When a client gives specific instructions with respect to an order, Fideuram will receive and transmit the order in accordance with the client’s specific instructions. In doing so, Fideuram may not achieve the best possible result for the client that might have otherwise been achieved by following this order transmission/execution policy. When a client’s specific instructions only relate to part of an order, Fideuram will continue to apply its order transmission/execution policy to those portions of the order not covered by specific instructions.
6. Where you place with us a limit order, we acknowledge that you instruct us to instruct the executing broker not to make public any order that is not immediately executed, unless you inform us to the contrary when you place the order.

## PART TWO: THE KEY STEPS WE TAKE IN DETERMINING BEST EXECUTION

7. We will determine the relative importance of execution criteria using its judgment and experience, evaluation of market information available at the time of execution and its knowledge of the client. The factors relevant to our consideration as to whether best execution has been obtained include:

- price
- costs
- likelihood of execution and settlement
- speed of execution
- size and nature of the order and any other relevant consideration to the extent that they can reasonably be expected to influence the total outcome.

Price will ordinarily merit a high relative importance in obtaining the best possible result, however, taking into account your classification as a professional client the relative importance we attach to each of the transmission criteria will depend on:

- the nature of the financial instrument concerned,
- the size of the order we are transmitting for execution,
- the nature of the execution venue to which the order will be transmitted.

8. We maintain a list of brokers to whom we will transmit orders for execution. Having regard to your classification as a professional client, when selecting a broker for inclusion on our list we prioritise the above factors differently. Brokers will be prioritised for selection depending on the nature and size of the order, the nature of the financial instrument concerned, the brokers access to markets i.e. a whether they are a global or regional broker, the commission rates charged, the brokers execution capabilities, past settlement quality and the number of venues the broker has access to.

9. All the brokers to whom we will transmit orders, adopt an execution policy, reviewed by ourselves, which is compliant with our best execution policy in terms of importance given to the relevant executing factors.

We are not required to include in the present best execution policy all the possible executing venue available.

10. We use only the brokers authorized by the Fideuram's Board of Directors.

11. While we will take all reasonable steps based on the resources available to us to satisfy ourselves that we have processes in place that can reasonably be expected to lead to the delivery of best execution, we cannot guarantee that you will always get best execution.

12. We will assess, on a regular basis, the quality of execution afforded by brokers, the list of brokers we

maintain as well as whether or not we need to change any of our execution arrangements.

13. Our policy, in providing you with best execution, is to exercise the same standards and operate the same processes across all the different markets and financial instruments on which we transmit orders. However, the diversity in those markets and instruments and the kind of orders that we may place with brokers in those markets will mean that different factors will have to be taken into account when we assess the nature of our execution policy in the context of different instruments and different markets. For example, there is no formalised market or settlement infrastructure for over-the-counter transactions. In some markets, price volatility may mean that the timeliness of execution is a priority, whereas, in other markets that have low liquidity, the fact of execution may itself constitute best execution. In other cases, our choice of broker may be limited (even to the fact that there may only be one platform/market upon which we can execute your orders) because of the nature of the order or of your requirements.

### **PART THREE: DEFINITIONS**

<b>Best Execution</b>	A firm must take all reasonable steps to obtain, when executing orders, the best possible result for its clients taking into account the execution factors.
<b>Execution Factors</b>	Price, costs, likelihood of execution and settlement, speed of execution, size and nature of the order and any other relevant consideration relevant to the execution of an order.
<b>Execution venue</b>	A Regulated market, a multilateral trading facility (MTF), a systematic internaliser, or a market maker or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing.
<b>Financial instrument:</b>	<ul style="list-style-type: none"><li>- Transferable securities;</li><li>- Money-market instruments;</li><li>- Units in collective investment undertakings;</li><li>- Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;</li><li>- Options, futures, swaps, forward rate agreements 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 (otherwise than by reason of a default or other termination event);</li><li>- 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 and/or a multi-lateral trading facility ("MTF");</li><li>- Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in C.6 and not being for commercial purposes, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are cleared and settled through recognised clearing houses or are subject to regular margin calls;</li><li>- Derivative instruments for the transfer of credit risk;</li><li>- Financial contracts for differences;</li><li>- Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances or</li></ul>

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 (otherwise than by reason of a 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 or an MTF, are cleared and settled through recognised clearing houses or are subject to regular margin calls.

**Regulated Market**

A multilateral system operated 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 or systems, and is authorised by the Irish Financial Regulator and functions regularly and in accordance with relevant regulations.

**MTF**

A multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments, in the system and in accordance with non-discretionary rules, in a way that results in a contract.

**Systematic Internaliser**

An investment firm which, on an organised, frequent and systematic basis, deals on own account by executing client orders outside a Regulated Markets or a MTF.

**MiFID**

The European Parliament and Council Directive on Markets in Financial instruments (2004/39/EC) and any implementing directives and regulations.