

Execution quality summary

1. Purpose

This report contains a summary of the analysis and conclusions Schroder & Co Bank AG draws from its monitoring of the quality of execution obtained when executing Client orders in 2020.

2. Scope

The following financial instruments are within the scope of MiFID II and this summary applies when executing orders or passing orders to a third party for execution in these instruments:

- Equities
- Fixed Income
- Exchange Traded Products (ETPs)
- Structured Products
- Derivatives
- FX Derivative Transactions

3. Execution Policy

We have put in place an Execution Policy to ensure that, as required by the Swiss Rules and Regulation, we take all sufficient steps to obtain the best possible result on behalf of our Clients when executing orders in relation to financial instruments.

4. Review

The execution policy is reviewed on an annual basis and the execution factors are reviewed periodically, together with material events reviewed on an ad hoc basis.

The review concluded that there were no material concerns relating to execution quality for the year ended 31 December 2020.

Equities

Equity transactions include:

- Shares
- American Depositary Receipts
- International Depositary Receipts

- Global Depositary Receipts
- Private Equities

Summary

1. The prioritisation of Execution Factors outlined below is not fixed and appropriate consideration has been carried out on a transaction by transaction basis. Although price is usually the leading factor, certainty of execution, reduction of market impact and speed of execution may have greater importance depending on the size of the order and the market conditions at any given time. The prioritisation of factors has therefore been adjusted from time to time to take these circumstances into account in order to ensure the best possible result.
2. We have no arrangements with Execution Venues to make or receive payments.
3. We did not make any changes to our execution venues.
4. The same order of execution is used for both Retail clients and Professional clients.
5. Schroder & Co Bank AG uses Transaction Cost Analysis ('TCA') to analyse execution quality for trades.
6. We did not use a consolidated tape.

Prioritisation of Execution Factors

Liquid Equities – General

1. Price
2. Costs
3. Speed
4. Size
5. Likelihood of execution and settlement
6. Nature of the transaction or any other relevant considerations

Illiquid Equities – Market Maker stocks

The market for illiquid securities is often less transparent and they are most effectively executed

using a market maker. Consideration is given to the most effective market maker.

1. Size
2. Likelihood of execution and settlement
3. Price
4. Costs
5. Speed
6. Nature of the transaction or any other relevant considerations

Execution Venues

Equity transactions are either executed directly with the SIX Swiss Exchange Ltd. or may be transmitted to leading brokers. Execution venues have been evaluated to ensure best worldwide coverage and to fulfil trading needs. Other venues will be considered where necessary, should we require coverage of additional jurisdictions which we may use on an irregular basis. Additional factors impacting the execution venue selection include:

- Jurisdictional rules and regulations
- Clearing schemes
- Circuit breakers
- Scheduled actions
- Other relevant considerations

Our execution venue selection is consolidated to ensure liquidity is not diluted with extra costs being incurred by spreading lower volumes across additional venues.

Fixed Income

Fixed income transactions include:

- Bonds (domestic and foreign)
- Floating Rate Notes
- Eurobonds
- Treasuries
- Inflation Linked Bonds
- Convertibles

Summary

1. The prioritisation of Execution Factors outlined below is not fixed and appropriate consideration has been carried out on a transaction by transaction basis. Although price is usually the leading factor, certainty of execution, reduction of market impact and

speed of execution may have greater importance depending on the size of the order and the market conditions at any given time. The prioritisation of factors has therefore been adjusted from time to time to take these circumstances into account in order to ensure the best possible result.

2. We have no arrangements with Execution Venues to make or receive payments.
3. We did not make any changes to our execution venues.
4. The same order of execution is used for both Retail clients and Professional clients.
5. Schroder & Co Bank AG uses Transaction Cost Analysis ('TCA') to analyse execution quality for trades.
6. We did not use a consolidated tape.

Prioritisation of Execution Factors

Fixed Income – General

1. Price
2. Costs
3. Speed
4. Size
5. Likelihood of execution and settlement
6. Nature of the transaction or any other relevant considerations

Execution Venues

Fixed Income transactions are either executed directly with the SIX Swiss Exchange Ltd. or may be transmitted to leading brokers. Execution venues have been evaluated to ensure best worldwide coverage and to fulfil trading needs. Other venues will be considered where necessary, should we require coverage of additional jurisdictions which we may use on an irregular basis. Additional factors impacting the execution venue selection include:

- Jurisdictional rules and regulations
- Clearing schemes
- Circuit breakers
- Scheduled actions
- Other relevant considerations

Exchange Traded Products

Exchange Traded Product Transactions include:

- Exchange Traded Funds

Summary

1. The prioritisation of Execution Factors outlined below is not fixed and appropriate consideration has been carried out on a transaction by transaction basis. Although price is usually the leading factor, certainty of execution, reduction of market impact and speed of execution may have greater importance depending on the size of the order and the market conditions at any given time. The prioritisation of factors has therefore been adjusted from time to time to take these circumstances into account in order to ensure the best possible result. We carry out exchange traded product transactions directly on the venue. However, where we have larger sized orders, these will typically be put in competition through a panel of market makers.
2. We have no arrangements with Execution Venues to make or receive payments.
3. We did not make any changes to our execution venues.
4. The same order of execution is used for both Retail clients and Professional clients.
5. Schroder & Co Bank AG uses Transaction Cost Analysis ('TCA') to analyse execution quality for trades.
6. We did not use a consolidated tape.

Prioritisation of Execution Factors

Products traded on Exchange

1. Price
2. Costs
3. Speed
4. Size
5. Likelihood of execution and settlement
6. Nature of the transaction or any other relevant considerations

Products traded with Market Makers

1. Size
2. Likelihood of execution and settlement
3. Price
4. Costs
5. Speed
6. Nature of the transaction or any other relevant considerations

Execution Venues

Orders for exchange traded products are either executed directly with the SIX Swiss Exchange Ltd. or may be transmitted to leading brokers. Execution venues have been evaluated to ensure best worldwide coverage and to fulfil trading needs. Other venues will be considered where necessary, should we require coverage of additional jurisdictions which we may use on an irregular basis.

Additional factors impacting the execution venue selection include:

- Jurisdictional rules and regulations
- Clearing schemes
- Circuit breakers
- Scheduled actions
- Other relevant considerations

Our execution venue selection is consolidated to ensure liquidity is not diluted with extra costs being incurred by spreading lower volumes across additional venues.

Structured Product Transactions

We executed a variety of Structured Products during 2020 which include:

- Auto Call Automatically matures when a predefined condition is met
- Participation Magnifies return in relation to the underlying
- Warrants Option to convert if the strike price is met
- Dividend and income Provides an income related return

Summary

1. The prioritisation of Execution Factors outlined below include not just price, but may also include such other factors as the cost of the transaction, the need for speed in the execution, the liquidity of the market (which may make it difficult to even execute an order), the likelihood of execution and settlement, the size and nature of the order and the nature of the financial transaction including whether it is executed on a Trading Venue or over-the-counter (OTC).
2. We have no arrangements with Execution Venues to make or receive payments.

3. We did not make any changes to our execution venues.
4. The same order of execution is used for both Retail clients and Professional clients.
5. When executing client orders (including Retail client orders) we may also consider issuer risk diversification as this ensures broad market liquidity and is thus instrumental in delivering the best possible result in terms of total consideration for the client.
6. We did not use a consolidated tape.

Prioritisation of Execution Factors

Structured Products – Auto Call and Participation

1. Price
2. Cost
3. Speed
4. Size
5. Issuer concentration
6. Likelihood of execution and settlement
7. Nature of the transaction or any other relevant considerations

Structured Products – Other

1. Size
2. Price
3. Costs
4. Issuer concentration
5. Speed
6. Likelihood of execution and settlement
7. Nature of the transaction or any other relevant considerations

Execution Venues

It should be noted that execution venues for structured products are limited, since execution is often restricted to the issuer of the instrument. In some instances, such products may be executed directly with the SIX Swiss Exchange Ltd. or via Bloomberg BGM.

Additional factors impacting the execution venue selection include:

- Jurisdictional rules and regulations
- Clearing schemes
- Circuit breakers

- Scheduled actions
- Other relevant considerations

Exchange Traded Derivatives

Exchange Traded Derivatives include:

- Options
- Futures

Summary

1. The prioritisation of Execution Factors outlined below is not fixed and appropriate consideration has been carried out on a transaction by transaction basis. Although price is usually the leading factor, certainty of execution, reduction of market impact and speed of execution may have greater importance depending on the size of the order and the market conditions at any given time. The prioritisation of factors has therefore been adjusted from time to time to take these circumstances into account in order to ensure the best possible result.
2. We have no arrangements with Execution Venues to make or receive payments.
3. We did not make any changes to our execution venues.
4. The same order of execution is used for both Retail clients and Professional clients.
5. We did not use a consolidated tape.

Prioritisation of Execution Factors

Exchange Traded Derivatives – General

1. Price
2. Size
3. Likelihood of execution and settlement
4. Costs
5. Speed
6. Nature of the transaction or any other relevant considerations

Execution Venues

Exchange Traded Derivatives transactions are transmitted to a leading broker. Execution venues have been evaluated to ensure best worldwide coverage and to fulfil trading needs. Additional factors impacting the execution venue selection include:

- Jurisdictional rules and regulations
- Clearing schemes

- Circuit breakers
- Scheduled actions
- Other relevant considerations

Foreign Exchange (FX Derivative Transactions)

FX Derivative Transactions include:

- FX Forwards
- FX Swaps

Summary

1. FX Derivative Transactions are executed by us on a principal basis. Schroder & Co Bank AG prices FX Derivative Transactions individually based on market rates, the size and nature of the FX Derivative Transaction and the volatility of the market at the time of execution.
2. We have no arrangements with external Execution Venues to make or receive payments.
3. We did not make any changes to our execution venues.
4. The same order of execution is used for both Retail clients and Professional clients.
5. We did not use a consolidated tape.

Prioritisation of Execution Factors

Liquid FX Forward and FX Swap Markets

1. Price
2. Cost
3. Speed
4. Size
5. Likelihood of execution
6. Other considerations (for example, venue restrictions)

Non-liquid FX Forward and FX Swap Markets or large orders:

1. Size
2. Likelihood of execution
3. Price
4. Cost
5. Speed
6. Other considerations (for example, venue restrictions)

Execution Venues

FX Derivatives Transactions are executed using the FXall, UBS Neo or ZKB etrading pro platform. Execution venues have been evaluated to ensure best coverage and to fulfil trading needs. Other venues will be considered where necessary, should we require coverage of additional jurisdictions which we may use on an irregular basis. Additional factors impacting the execution venue selection include:

- Jurisdictional rules and regulations
- Clearing schemes
- Circuit breakers
- Scheduled actions
- Other relevant considerations