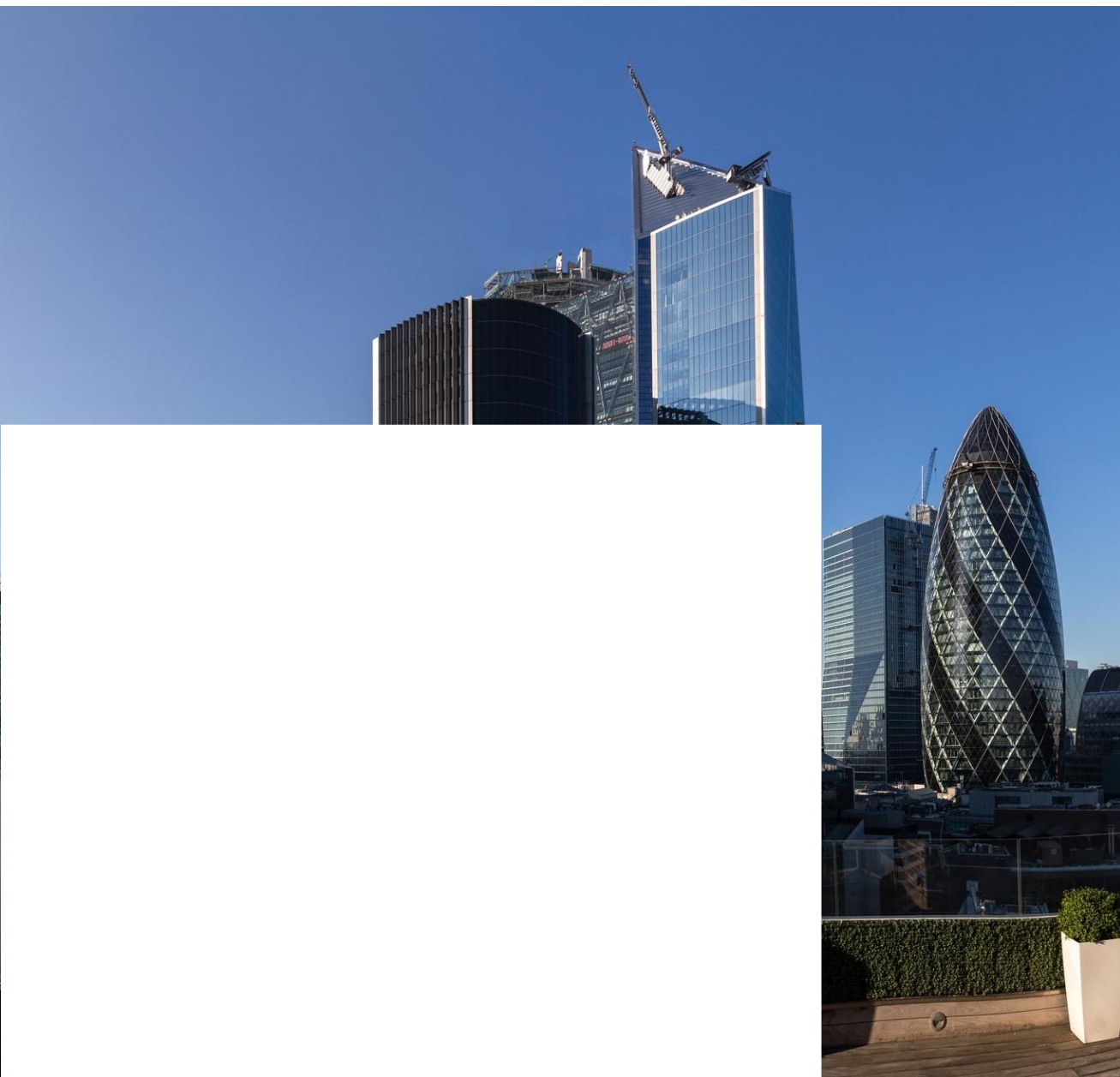


# Execution Policy

For Professional Clients

April 2024



# TABLE OF CONTENTS

- 1 PURPOSE..... 3
- 2 SCOPE ..... 3
- 3 OUR OBLIGATION ..... 4
- 4 EXECUTION FACTORS..... 4
- 5 EXECUTION VENUES AND COUNTERPARTIES ..... 8
- 6 MONITORING AND GOVERNANCE..... 9
- 7 CLIENT REQUESTS..... 10
- 8 APPENDIX I – LIST OF COUNTERPARTIES AND EXECUTION VENUES ..... 11
- 9 APPENDIX II – GLOSSARY ..... 14

## 1 Purpose

As an active asset manager M&G invests in various asset classes including equities, fixed income, foreign exchange and derivatives and has a fiduciary duty to achieve the best possible result when executing orders on behalf of our clients. The purpose of this policy is to provide our professional (and elective professional) clients with transparency on our execution approach when trading in normal market conditions and how we comply with our global regulatory obligations in the jurisdictions in which we execute orders including:

- Markets in Financial Instruments Directive and associated regulations (“MIFID”) and guidance published by the Financial Conduct Authority (“FCA”). These rules apply in the EU as well as in the UK from 1 January 2021 as part of ‘retained EU law’ as defined in the European Union (Withdrawal) Act 2018 (“UK MiFID II”);
- US Investment Advisors Act of 1940 and guidance published by the US Securities and Exchange Commission (SEC);
- Guidance provided by the Monetary Authority of Singapore (MAS) which administers oversight of financial institutions regulated under the Securities Futures Act (“SFA”) and the Financial Adviser Act (“FAA”) and their prevailing subsidiary legislations.

## 2 Scope

This Execution Policy (“Policy”) applies to M&G Investment Management Limited (“MAGIM”), M&G Investments USA Inc (M&G USA), M&G investments Singapore Pte Limited (“MGIS”) and other subsidiaries of M&G Group Limited – collectively referred as “M&G Group” for the purpose of this document.

M&G operates dealing desks in London, Singapore and Chicago executing a combination of instruments and providing dealing services arrangements with entities within M&G Group to route orders to local broker/dealers for securities where the primary liquidity is in those regions. No commission is charged to clients with the arrangement operating on a cost recovery basis within M&G group. These orders are subject to our standard monitoring arrangements with oversight exercised through the Dealing Management Committee. Notwithstanding that the delegated entity may be outside of the EEA and therefore not subject to MiFID, all such entities within M&G Group are subject to the same best execution obligations as per this policy.

There may be circumstances when M&G may appoint another firm or affiliate to perform portfolio management and/or carry out execution. This may be at the initiative of a client, or, a decision by M&G who consider the appointment to be in a client’s best interest. Where another portfolio manager is appointed to perform portfolio management, M&G ensures clients receive an equivalent level of investor protection through sub-delegation agreements and continuous monitoring of their execution performance.

### 3 Our Obligation

Our obligations when executing orders on your behalf is to achieve the best possible result. To obtain the best possible result for you, as your agent, we take all sufficient steps by considering the different execution factors set out in this Policy. Our approach aims to provide the most favourable outcome across a range of different and sometimes conflicting execution factors. We may aggregate transactions carried out on your behalf with those of our other clients where it is considered advantageous and unlikely that the aggregation will work overall to the disadvantage of a particular client, although on some occasions this may occur.

Orders can be executed by two different approaches to the market, either placing or direct execution:

- When placing orders, we transmit the order to another entity, such as a broker or our global affiliate for it to execute.
- For direct execution, we execute an order directly with an execution venue or counterparty.

Whether we place orders for execution or execute them directly with market counterparties, we are obliged to ensure those entities with whom we place or execute client orders enable us to satisfy the best execution requirements outlined in this Policy whilst meeting the regulatory expectations in the relevant jurisdiction.

Any specific order instructions from a client may prevent M&G from taking the steps set out in this Policy to obtain the best possible result in respect of the elements covered by the instructions.

### 4 Execution Factors

Our Public Market Dealing Teams have the appropriate knowledge and expertise to prioritise a range of execution factors, listed in the table below, to achieve the best possible result for your order.

| Execution Factor                       | Description  |
|--|--|
| Price                                  | This is the price at which a financial instrument is executed.   |
| Costs                                  | This includes implicit costs such as the possible market impact and explicit external costs such as exchange or clearing fees.   |
| Speed                                  | The time it takes to execute a transaction.  |
| Likelihood of execution and settlement | The likelihood that the order will be completed.   |
| Size                                   | The size of the transaction executed for an order.   |
| Nature of the transaction              | Any other considerations (for example, constraints on liquidity) which are relevant to the execution of the transaction and could affect how best execution is determined. |

Our dealers use professional judgement to determine the relative importance of the execution factors for an individual order given the prevailing market conditions. In some cases, due to the illiquid nature of the financial instrument, there will be limited options available in relation to where and with whom we can deal.

When prioritising factors the following are typically considered:

- The characteristics of the financial instrument to be dealt;
- The characteristics of the order made on your behalf;
- The characteristics of your portfolio and its objectives as set out in the relevant Investment Management Agreement;
- If the financial instrument is subject to any regulatory requirements; and
- The characteristics of the counterparty or venue on which we may place your order (including for example historic counterparty performance and broker positioning).

Whilst we have listed the primary execution factors by asset class in the following sections and grouped them as stipulated by MIFID II, it is to be noted that each client order that is transacted by M&G will possess unique characteristics taking into account market conditions and liquidity across the regions in which it is executed and a slightly different ranking may need to be applied in order to achieve the best outcome for our clients in alignment with local regulatory expectations.

## 4.1 Equities and Equity Derivatives

| Asset Classes  | Primary execution factors considered |          |                           |                          |
|--|--------------------------------------|----------|---------------------------|--------------------------|
| <b>Equities</b>  | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                  | <b>4 Least</b>           |
| Shares & Depository Receipts                               | Price                                | Size     | Costs                     | Execution/<br>Settlement |
| <b>Equity Derivatives</b>                                  | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                  | <b>4 Least</b>           |
| Futures and options admitted to trading on a trading venue | Price                                | Speed    | Execution &<br>settlement | Costs                    |
| Swaps and other equity derivatives                         | Size                                 | Price    | Costs                     | Execution/<br>settlement |
| <b>Exchange Traded Products (ETFs)</b>                     | Price                                | Size     | Speed                     | Execution/<br>settlement |
| <b>Other Instruments</b>                                   | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                  | <b>4 Least</b>           |
| Convertible Bonds  | Size                                 | Price    | Execution &<br>settlement | Speed                    |

## 4.2 Fixed Income and Fixed Income Derivatives

| Asset Classes  | Primary execution factors considered |          |                          |                          |
|--|--------------------------------------|----------|--------------------------|--------------------------|
| <b>Debt Instruments</b>                                    | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                 | <b>4 Least</b>           |
| Bonds  | Price                                | Size     | Nature                   | Other                    |
| <b>Interest Rate Derivatives</b>                           | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                 | <b>4 Least</b>           |
| Futures and options admitted to trading on a trading venue | Price                                | Size     | Execution/<br>Settlement | Nature                   |
| Swaps and interest rate derivatives                        | Price                                | Size     | Nature                   | Execution/<br>Settlement |
| <b>Credit Derivatives</b>                                  | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                 | <b>4 Least</b>           |
| Indices  | Execution/<br>Settlement             | Price    | Size                     | Nature                   |
| Single Name  | Price                                | Size     | Execution/<br>Settlement | Nature                   |
| <b>Credit Index Options</b>                                | Price                                | Size     | Execution/<br>Settlement | Nature                   |
| <b>Structured Finance</b>                                  | <b>1 Most</b>                        | <b>2</b> | <b>3</b>                 | <b>4 Least</b>           |
| ABS, Collateralised Debt Obligations                       | Price                                | Size     | Nature                   | Other                    |

## 4.3 Currency Derivatives and Money Market Instruments

| Asset Classes  | Primary execution factors considered |          |          |                          |
|--|--------------------------------------|----------|----------|--------------------------|
| <b>Money Market Instruments</b>  | <b>1 Most</b>                        | <b>2</b> | <b>3</b> | <b>4 Least</b>           |
| Certificate of Deposit (CD), Commercial Paper (CP),<br>Treasury Bill   | Nature                               | Price    | Size     | Execution/<br>Settlement |
| <b>Currency Derivatives</b>  | <b>1 Most</b>                        | <b>2</b> | <b>3</b> | <b>4 Least</b>           |
| FX Forwards, Non Deliverable Forwards (NDFs),<br>FX Swaps & FX Options | Price                                | Size     | Nature   | Execution/<br>Settlement |

#### 4.4 Securities Financing Transactions

| Asset Classes                             | Primary execution factors considered |       |      |                          |
|---|--------------------------------------|-------|------|--------------------------|
| Securities Financing Transactions (SFTs)  | 1 Most                               | 2     | 3    | 4 Least                  |
| Securities Lending, Repo and Reverse Repo | Nature                               | Price | Size | Execution/<br>Settlement |

#### 4.5 Over-the-Counter Trading

When executing OTC products, our Dealing Teams follow a process to check the fairness of the OTC price prior to execution by assessing market data used in the estimation of the price of such a product or, where possible, by comparing with the price of similar or equivalent products.

#### 4.6 Collective Instruments

For orders to trade in Collective Investment Schemes ("CIS"), we will execute the order directly with the operator of the CIS. Deals will be submitted prior to the CIS operator's dealing cut-off time and the order will be executed at the prevailing CIS Net Asset Value.

#### 4.7 Private Assets

For negotiated deals where assets are either of a private nature and/or illiquid (in terms of market availability), best execution in MiFID instruments will be demonstrated by the investment process principles used throughout the negotiation and the procedures followed by the Team in question. This specifically relates to order execution which takes place outside of the Dealing Teams.

## **5 Execution Venues and Counterparties**

### **5.1 Selection of counterparties of venues**

All execution venues and counterparties are approved via the relevant venue/counterparty approval processes. Dealers can utilise any of our approved venues or counterparties as they consider necessary to achieve the best possible result and would not normally search and compare all of these for a trade, instead they use their market knowledge and experience to select the appropriate execution venue and/or counterparties. In some cases, due to the illiquid nature of a financial instrument, there will be limited options available in relation to where and with whom we can deal.

We do not receive any remuneration, discount, rebate or non-monetary benefit from execution venues or counterparties to route client orders to them. These actions are not allowed under our existing Conflicts of Interest, Inducements and Gifts and Hospitality policies and are therefore monitored accordingly.

In addition, our regulatory obligations (including inducement and research rules of the FCA) prohibit us from receiving inducements (other than acceptable minor non-monetary benefits) in relation to those services. Minor non-monetary benefits must be of a scale and nature that could not be judged to impair M&G's compliance with its duty to act honestly, fairly and professionally in the best interests of the client. M&G monitors and requires pre-clearance of gifts and hospitality to ensure that M&G is not induced to use one execution venue/counterparty over another.

A list of counterparties and execution venues that M&G uses when seeking best execution is included in the Appendix. This non-exhaustive list is subject to modifications and will be annually updated in line with the review of execution arrangements described in this Policy.

### **5.2 Review of Execution Venues and Counterparties**

M&G review the quality of execution and service provided by all of the approved execution venues/counterparties on a regular basis with oversight at the relevant governance forums. Any concerns that arise with counterparties between reviews are reported immediately to senior management and also considered in relevant counterparty meetings.



## 6 Monitoring and Governance

### 6.1 Policy Oversight

For best execution monitoring, M&G operate a three-tier process following the lines of defence model. Dealers act as the first line of defence monitoring best execution and delivering the best execution strategy. Post-trade monitoring includes internal/independent third-party transaction cost analysis and exception based monitoring depending on the specific class of financial instrument being traded. Trade executions that fall outside of designated tolerances are highlighted and investigated initially by the relevant Dealing desk, as the first line of control supplemented by a monthly risk-based assessment of exceptions by Controls & Assurance team. Compliance, as the second line of control, ensures the efficacy of the monitoring process through thematic reviews and assessments. Internal Audit acting as the third line of defence provide independent assurance over the design and operating effectiveness of key execution controls.

Additionally, the Policy and the underlying execution arrangements are reviewed annually with updates submitted to appropriate governance forums for approval. If there are any material changes to our Policy these will be communicated to our clients within a reasonable timeframe, along with the re-publication of the Policy on our corporate website.

### 6.2 Process Monitoring

An ongoing programme of monitoring is in place across our three lines of defence to enable M&G to demonstrate that best execution and appropriate client outcomes are achieved, with participation from Front Office/Dealing teams, our Controls and Assurance function and the compliance monitoring team. Our Dealing processes and outputs from our monitoring activity are overseen by senior management and reported to the Dealing Management Committee.

The type and liquidity of an asset class will be taken into account when assessing whether best execution has been achieved with varying approaches to monitoring as illustrated in the diagram below.



## 7 Client Requests

If you have any questions or require further detail regarding our Policy or specific queries related to the execution of orders, please contact your client representative who will be able to co-ordinate any requests.

## 8 Appendix I – List of Counterparties and Execution Venues

| List of Counterparties              | Equities & Equity Derivatives | Fixed Income & Fixed Income Derivatives | Currency & Money Mkts | Securities Financing |
|-------------------------------------|-------------------------------|---|-----------------------|----------------------|
| AGRICULTURAL BANK OF CHINA LIMITED  |                               | ✓                                       |                       |                      |
| AUREL PARTNERS/BGC BROKERS L.P.     |                               | ✓                                       |                       |                      |
| AUSTRALIA & NEW ZEALAND BANKING GRO |                               | ✓                                       |                       |                      |
| BANCO BILBAO VIZCAYA ARGENTARIA S.A |                               | ✓                                       |                       |                      |
| BANCO SANTANDER SA                  | ✓                             | ✓                                       |                       | ✓                    |
| BANK JULIUS BAER & CO. LTD.         |                               | ✓                                       |                       |                      |
| BANK OF AMERICA CORPORATION         | ✓                             | ✓                                       | ✓                     | ✓                    |
| BANK OF MONTREAL                    |                               | ✓                                       |                       |                      |
| BANK OF NEW YORK MELLON             |                               |   | ✓                     |                      |
| BARCLAYS                            | ✓                             | ✓                                       | ✓                     | ✓                    |
| BCG BROKERS LP                      |                               |   | ✓                     |                      |
| BELL POTTER SECURITIES LIMITED      | ✓                             |   |                       |                      |
| BMO CAPITAL MARKETS LIMITED         | ✓                             | ✓                                       |                       |                      |
| BNP PARIBAS                         | ✓                             | ✓                                       | ✓                     | ✓                    |
| BREAN CAPITAL LLC                   |                               | ✓                                       |                       |                      |
| BRED BANQUE POPULAIRE               |                               | ✓                                       | ✓                     |                      |
| BROWN BROTHERS HARRIMAN AND CO      |                               |   | ✓                     |                      |
| BTIG LIMITED                        | ✓                             | ✓                                       |                       |                      |
| CANACCORD GENUITY LIMITED           | ✓                             |   |                       |                      |
| CANTOR FITZGERALD                   | ✓                             | ✓                                       |                       |                      |
| CARNEGIE INVESTMENT BANK AB         | ✓                             |   |                       |                      |
| CENKOS SECURITIES PLC               | ✓                             |   |                       |                      |
| CGS-CIMB SECURITIES (SINGAPORE) PTE | ✓                             |   |                       |                      |
| CHINA INTERNATIONAL CAPITAL CORPORA | ✓                             | ✓                                       | ✓                     | ✓                    |
| CIBC                                | ✓                             | ✓                                       | ✓                     | ✓                    |
| CIMB BANK BERHAD                    |                               | ✓                                       |                       |                      |
| CITIBANK                            |                               | ✓                                       |                       |                      |
| CITIC SECURITIES BROKERAGE (HK) LIM | ✓                             |   |                       |                      |
| CITIGROUP                           | ✓                             | ✓                                       | ✓                     | ✓                    |
| CLSA                                | ✓                             | ✓                                       |                       |                      |
| COMMERZBANK AG                      | ✓                             | ✓                                       |                       |                      |
| COMMONWEALTH BANK OF AUSTRALIA      |                               | ✓                                       |                       |                      |
| COWEN & COMPANY LLC                 | ✓                             |   |                       |                      |
| CREDIT AGRICOLE                     | ✓                             | ✓                                       | ✓                     | ✓                    |
| DAIWA CAPITAL MARKETS EUROPE LTD    | ✓                             | ✓                                       |                       |                      |
| DANSKE BANK                         | ✓                             | ✓                                       |                       | ✓                    |
| DBS BANK LIMITED                    |                               | ✓                                       |                       |                      |
| DEUTSCHE BANK                       | ✓                             | ✓                                       | ✓                     | ✓                    |
| DEUTSCHE NUMIS                      | ✓                             |   |                       |                      |
| DNB BANK ASA                        | ✓                             | ✓                                       |                       |                      |
| DZ BANK DEUTSCHE ZENTRAL-GENOSSENSC |                               | ✓                                       |                       |                      |
| ELLORA PARTNERS LIMITED             | ✓                             |   |                       |                      |
| FLOW TRADERS B.V.                   | ✓                             | ✓                                       |                       |                      |
| GOLDMAN SACHS                       | ✓                             | ✓                                       | ✓                     | ✓                    |
| GOODBODY STOCKBROKERS               | ✓                             |   |                       |                      |
| GUGGENHEIM SECURITIES LLC           |                               | ✓                                       |                       |                      |
| GUOTAI JUNAN SECURITIES (HONG KONG) |                               | ✓                                       |                       |                      |
| HAITONG INTERNATIONAL SECURITIES CO | ✓                             |   |                       |                      |
| HSBC                                | ✓                             | ✓                                       | ✓                     | ✓                    |
| ICBC STANDARD BANK PLC              |                               | ✓                                       |                       |                      |

|   |   |   |   |   |
|---|---|---|---|---|
| IMPERIAL CAPITAL (INTERNATIONAL) LL         |   | ✓ |   |   |
| INDUSTRIAL AND COMMERCIAL BANK OF C         |   | ✓ |   |   |
| ING BANK NV                                 |   | ✓ | ✓ | ✓ |
| INSTINET                                    | ✓ |   |   |   |
| INTESA SANPAOLO SPA                         |   | ✓ |   |   |
| INVESTEK BANK PLC                           | ✓ | ✓ |   |   |
| J E DAVY                                    | ✓ |   |   |   |
| J SAINSBURY PENSION SCHEME TRUSTEES LIMITED |   |   |   | ✓ |
| JANE STREET                                 | ✓ | ✓ |   |   |
| JEFFERIES                                   | ✓ | ✓ |   |   |
| JOH. BERENBERG GOSSLER & CO. (BEREN         | ✓ |   |   |   |
| JP MORGAN CHASE BANK                        |   | ✓ | ✓ |   |
| JP MORGAN SECURITIES                        | ✓ | ✓ | ✓ | ✓ |
| KBC SECURITIES NV                           | ✓ |   |   |   |
| KEPLER CHEUVREUX                            | ✓ |   |   |   |
| KEYBANC CAPITAL MARKETS INC.                |   | ✓ |   |   |
| KOTAK SECURITIES LIMITED                    | ✓ |   |   |   |
| KING SECURITIES LLP                         |   | ✓ |   |   |
| LIBERUM CAPITAL LIMITED                     | ✓ |   |   |   |
| LIQUIDNET                                   | ✓ | ✓ |   |   |
| LLOYDS BANK PLC                             |   | ✓ | ✓ |   |
| LLOYDS BANK CORPORATE MARKETS               |   |   | ✓ | ✓ |
| LUMINEX TRADING & ANALYTICS LLC             | ✓ |   |   |   |
| MACQUARIE                                   | ✓ | ✓ |   | ✓ |
| MALAYAN BANKING BERHAD                      |   | ✓ |   |   |
| MARKETAXESS                                 |   | ✓ |   |   |
| METROPOLITAN BANK & TRUST CO.               |   | ✓ |   |   |
| MILLENNIUM                                  |   | ✓ |   |   |
| MIZUHO                                      | ✓ | ✓ | ✓ | ✓ |
| MORGAN STANLEY                              | ✓ | ✓ | ✓ | ✓ |
| MST FINANCIAL SERVICES PTY LTD              | ✓ |   |   |   |
| MUFG  |   | ✓ |   | ✓ |
| NATIONAL AUSTRALIA BANK LTD                 |   | ✓ | ✓ | ✓ |
| NATIXIS                                     |   | ✓ |   |   |
| NATWEST MARKETS PLC                         |   | ✓ | ✓ | ✓ |
| NOMURA INTERNATIONAL PLC                    | ✓ | ✓ |   | ✓ |
| NORDEA BANK ABP                             | ✓ | ✓ |   | ✓ |
| NORTHERN TRUST SECURITIES LLP               | ✓ |   | ✓ |   |
| OPPENHEIMER EUROPE LTD                      |   | ✓ |   |   |
| OPTIVER V.O.F.                              | ✓ |   |   |   |
| ORIENT SECURITIES COMPANY LIMITED           |   | ✓ |   |   |
| OVERSEA-CHINESE BANKING CORPORATION         |   | ✓ |   |   |
| PANMURE GORDON UK LIMITED                   | ✓ |   |   |   |
| PEEL HUNT LLP                               | ✓ |   |   |   |
| PNC CAPITAL MARKETS LLC                     |   | ✓ |   |   |
| RABOBANK                                    |   | ✓ | ✓ |   |
| RBC CAPITAL MARKETS LLC                     |   | ✓ |   |   |
| REDBURN (EUROPE) LIMITED                    | ✓ |   |   |   |
| ROBERT W. BAIRD & CO INCORPORATED           | ✓ | ✓ |   |   |
| ROYAL BANK OF CANADA                        | ✓ | ✓ | ✓ | ✓ |
| S.P. ANGEL CORPORATE FINANCE                | ✓ |   |   |   |
| SANTANDER UK PLC                            |   |   | ✓ |   |
| SAMSUNG SECURITIES                          | ✓ |   |   |   |
| SANFORD C. BERNSTEIN (HONG KONG) LI         | ✓ |   |   |   |
| SANTANDER                                   | ✓ | ✓ |   | ✓ |
| SBI SECURITIES (SINGAPORE) PTE. LTD         | ✓ |   |   |   |
| SC LOWY                                     |   | ✓ |   |   |
| SCOTIABANK EUROPE PLC                       | ✓ | ✓ |   |   |

|                                   |   |   |   |   |
|-----------------------------------|---|---|---|---|
| SEAPORT                           |   | ✓ |   |   |
| SG SECURITIES (HK) LIMITED        | ✓ |   |   |   |
| SHORE CAPITAL STOCKBROKERS LTD    | ✓ |   |   |   |
| SINGER CAPITAL MARKETS            | ✓ |   |   |   |
| SKANDINAVISKA ENSKILDA BANKEN A B |   | ✓ |   | ✓ |
| SMBC NIKKO                        | ✓ | ✓ |   |   |
| SOCIETE GENERALE SA               | ✓ | ✓ | ✓ | ✓ |
| STANDARD CHARTERED BANK           | ✓ | ✓ | ✓ | ✓ |
| STATE STREET BANK & TRUST COMPANY |   |   | ✓ |   |
| STIFEL NICOLAUS                   | ✓ | ✓ |   |   |
| STONEX FINANCIAL LIMITED          |   | ✓ |   |   |
| TAYLOR WIMPEY PENSION SCHEME      |   |   |   | ✓ |
| TD SECURITIES (USA) LLC           |   | ✓ |   |   |
| THE BANK OF NOVA SCOTIA           |   |   |   | ✓ |
| TORONTO DOMINION BANK             | ✓ | ✓ |   | ✓ |
| TRADERISKS LTD                    |   | ✓ |   |   |
| TRADEWEB                          | ✓ | ✓ |   |   |
| TRUIST SECURITIES INC.            |   | ✓ |   |   |
| UBS                               | ✓ | ✓ | ✓ | ✓ |
| UNICREDIT BANK AG                 |   | ✓ |   | ✓ |
| UNITED OVERSEAS BANK LIMITED      |   | ✓ |   |   |
| US BANCORP INVESTMENTS INC        |   | ✓ |   |   |
| VIRTU                             | ✓ |   |   |   |
| W.H. IRELAND LTD                  | ✓ |   |   |   |
| WELLS FARGO INTERNATIONAL         | ✓ | ✓ |   | ✓ |
| WESTPAC BANKING CORP              |   | ✓ |   |   |
| WINTERFLOOD SECURITIES LTD        | ✓ |   |   |   |
| XP INVESTMENTS US LLC             | ✓ |   |   |   |
| ZURCHER KANTONALBANK              |   | ✓ |   |   |

| List of Venues | Equities & Equity Derivatives | Fixed Income & Fixed Income Derivatives | Currency & Money Mkts | Securities Financing |
|----------------|-------------------------------|---|-----------------------|----------------------|
| 360T           |                               |   | ✓                     |                      |
| BLOOMBERG      | ✓                             | ✓                                       |                       |                      |
| EQUILEND       |                               |   |                       | ✓                    |
| FX CONNECT     |                               |   | ✓                     |                      |
| LIQUIDNET      | ✓                             | ✓                                       |                       |                      |
| MARKETAXESS    | ✓                             | ✓                                       |                       |                      |
| TRADEWEB       | ✓                             | ✓                                       |                       |                      |
| OTCX           | ✓                             | ✓                                       |                       |                      |

## 9 Appendix II – Glossary

### Financial Instruments (as defined under MIFID II)

As per Directive 2014/65/EU, Financial Instruments means those instruments specified in Section C of Annex I:

- (1) Transferable securities;
- (2) Money-market instruments;
- (3) Units in collective investment undertakings;
- (4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- (5) Options, futures, swaps, forwards 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 other than by reason of default or other termination event;
- (6) 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, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- (7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- (8) Derivative instruments for the transfer of credit risk;
- (9) Financial contracts for differences;
- (10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or 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 other than by reason of 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, OTF, or an MTF;
- (11) Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

### Multilateral Trading Facility “MTF”

MiFID introduced the concept of Multilateral Trading Facilities (MTFs) to replace Alternative Trading Systems (ATs) (which had been established prior to MiFID but were not subject to specific European legislation). An MTF is a system, or "venue", which brings together multiple third-party buying and selling interests in financial instruments in a way that results in a contract, MTFs can be operated by investment firms or market operators and are subject to broadly the same overarching regulatory requirements as Regulated Markets (e.g. fair and orderly trading) and the same detailed transparency requirements as regulated markets.

### Organised Trading Facility “OTF”

Any facility or system operated by an investment firm or a market operator that on an organised basis brings together third party buying and selling interests or orders relating to financial instruments. It excludes facilities or systems that are already regulated as a Regulated Market, MTF or a Systematic Internaliser.

### Over the Counter “OTC”

Over the counter, or OTC, trading is a method of trading that does not take place on an organised venue such as a regulated market or an MTF.

**Placed Order**

Order placed with broker or intermediary for Trade Execution with no specific instructions on where the trade is executed.

**Regulated Market “RM”**

A Regulated Market is a multilateral system, defined by MiFID, which brings together, or facilitates the bringing together, of multiple third-party buying and selling interests in financial instruments in a way that results in a contract.

**RTS**

Regulatory Technical Standards (RTS) that were introduced as part of MIFID II Regulations to increase pre-trade and post-trade transparency for financial instruments.

**Tick Size**

ESMA sets tick size regimes for shares, depositary receipts. The tick size determination is based on a two factor approach where the applicable tick size is derived from both the liquidity profile of the instrument traded and the price of the order submitted.

**Systematic Internaliser “SI”**

Systematic Internaliser (SIs) are institutions large enough to match client orders internally, or against their own books. They are defined in MiFID as an investment firm which, "on an organised, frequent and systematic basis, deals on own account by executing client orders outside a Regulated Market or an MTF".



---

**Important Information: For Professional Investors only.**

The information herein does not constitute investment advice or any specific investment recommendations. While all reasonable care has been taken in preparing this information and it is believed to be reliable but we do not warrant its completeness or accuracy and no responsibility or liability is accepted for any errors of fact, omission or for any opinion expressed herein. It should be independently verified before further publication or use. Unless stated otherwise any views and opinions are those of M&G Investment Management Limited.

The material is not intended to provide, and should not be relied on for accounting, legal or tax advice. Reliance should not be placed on any views or information in the material when taking individual investment and/or strategic decisions.

The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested.