



Cornèr Bank Ltd

# **Best Execution Policy 2024**

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## Best Execution Policy Summary

This Best Execution Summary (“Summary”) sets forth information relating to how Cornèr Bank Ltd, (“Cornèr Bank”) seeks to provide Best Execution as required by the applicable rules and Markets practice when either executing or transmitting orders or quotes on behalf of clients.

### 1. Scope and Purpose

This Summary provides general information in respect to Cornèr Bank’s approach to Best Execution and should be read in conjunction with the Best Execution Policy (“Policy”), also referred to as Client Order Execution and Allocation Policy, including asset class-specific appendices which provide further details for consideration.

### 2. Best Execution – Best Possible Result

Cornèr Bank places and executes orders considering execution factors that enable it to obtain the best possible results for its clients. Cornèr Bank weights the relevant execution factors in the context of its general business and available market information, considering the criteria listed in Section 3. below.

### 3. Execution Factors and Criteria of Order Execution

In order to fulfil its duty of Best Execution, Cornèr Bank takes all sufficient steps to obtain, when executing orders, the best possible result for the client. In this regard, Cornèr Bank considers the Best Execution factors

- 1) **Price** of the Financial Instruments
- 2) **Costs** related to the execution of the order
- 3) **Speed** of executing the order
- 4) **Likelihood of execution and settlement**
- 5) **Size** of the order
- 6) **Nature** of the order or any other consideration relating to the execution of the order, including additional qualitative factors

In carrying out its duty of Best Execution, **Cornèr Bank generally gives the factor of price and costs a higher relative importance** compared to the other execution factors. Although there may be circumstances where the primary execution factors vary and the price is no longer the dominant execution factor; for example, for transactions in illiquid securities, likelihood of execution and market impact become more important.

In order to determine the relative importance of the above-mentioned factors, Cornèr Bank also considers the characteristics of the client, the order, the Financial Instrument in question as well as the Execution Venue(s) such order could be directed to.

Further details on the weighting of the factors per asset class can be found in the asset class-specific policies contained as appendices to the Policy.

Although Cornèr Bank takes all sufficient steps to achieve the best possible result for the client, considering the above-mentioned execution factors, Cornèr Bank cannot guarantee that particularly on an individual transaction level the price obtained by Cornèr Bank will always be the best price available in the market at that point in time, in particular due to market conditions, market liquidity, price gaps or other circumstances.

### 4. Client Specific Instruction

Specific instructions from the client to Cornèr Bank (in connection with the execution of a specific order) may prevent Cornèr Bank from ensuring the best possible result as set out in the Policy for that particular part of the order, as the Best Execution obligation is considered satisfied when Cornèr Bank follows the specific client instruction for that part of the order. Therefore, to the extent that the client gives Cornèr Bank an instruction, this instruction overrides the Best Execution obligation for the scope of the particular instruction. Examples of such instructions may include, but are not limited to, requests to execute an order over a particular timeframe.

### 5. Selection of Execution Venue per Trade

If there are no Specific Instructions from the client, Cornèr Bank will use the following approach to select an Execution Venue for the relevant order: When placing orders on a Regulated Market (“RegM”), a Multilateral Trading Facility (“MTF”), Organized Trading Facility (“OTF”) or with another liquidity provider, Cornèr Bank will choose the most appropriate Execution Venue in order to achieve the best possible execution of the Client Order.

After considering the execution factors and criteria [Section 3.], Cornèr Bank may itself act as an Execution Venue, provided this is in compliance with Best Execution requirements. If Cornèr Bank acts as an Execution Venue, it will use appropriate sources to achieve the best possible result for a Client Order.

In particular if a Client Order concerns a bespoke Financial Instrument (e.g. structured product), Cornèr Bank itself may execute orders outside of Trading Venues (RegMs, MTFs or OTFs), which is called Over-The-Counter (“OTC”) trading, or via an intermediary. Cornèr Bank will decide to trade OTC when it is believed to be in the client’s best interest to do so (i.e. it allows Cornèr Bank the flexibility to choose from a wider range of Execution Venues).

**The client has either explicitly consented to Cornèr Bank executing OTC by accepting the *Terms & Conditions for transaction on options, financial futures, commodities and derivatives on organized and/or OTC markets* or will be treated as having impliedly consented to trading OTC, unless the client clearly instructs Cornèr Bank otherwise.** Please be aware that so called Counterparty Risk may occur. Counterparty Risk refers to an event where the counterparty to a transaction fails to honour its obligations resulting from such transaction e.g. by failing to pay for the delivered Financial Instruments.

In the case of bespoke Financial Instruments as above, Cornèr Bank is obliged to ensure a fair price with respect to the overall instrument. Such products are often treated as a (bound by instructions) fixed-price transaction. The client can direct any questions regarding OTC trades to the Relationship Manager.

## **6. Selected Execution Venues**

Cornèr Bank has made a selection of Execution Venues for each asset class. This selection includes those Execution Venues at which Cornèr Bank is able to obtain, on a consistent basis, the best possible result when executing Client Orders in Financial Instruments.

The selection factors for choosing Execution Venues can be found in the Policy. Cornèr Bank may add or remove Execution Venues as deemed appropriate in order to obtain the best possible result for the client.

Cornèr Bank publishes the Policy on its website ([www.corner.ch/it/landing/lserfi/](http://www.corner.ch/it/landing/lserfi/)) as well as the current top five Execution Venues and Brokers (in terms of volume and value per asset class used in the past year). In order to assess the execution quality of Execution Venues Cornèr Bank will use data published by the Execution Venues on their quality of order execution. The Relationship Manager is available to answer any client queries.

## **7. Reception and Transmission of Client Orders to selected Brokers**

When receiving and transmitting orders, Cornèr Bank forwards these orders to Brokers for execution. A selection of Brokers chosen per asset class is attached to the Policy. Cornèr Bank may add or remove Brokers as deemed appropriate in order to obtain the best possible result for the client. When selecting the Brokers, the criteria and procedures used for the execution of orders apply relating to the same criteria as above. Cornèr Bank selects only Brokers that combine high quality service standards with effective Best Execution arrangements in order to obtain Best Execution on a consistent basis.

The Best Execution standards of the Brokers selected may lead to OTC execution. The selection of Brokers may have an impact on price and cost of the execution.

Therefore, the execution factors price and cost are important elements in the Broker selection process.

Further information can be found in the Policy.

Only if explicitly instructed by a client, does Cornèr Bank not carry out the receipt and transmission according to its Best Execution Policy. The Relationship Manager is available to provide more information on the selection of Brokers.

## **8. Order Execution on Trading Platform**

All orders on financial instruments traded by Clients on the online trading platform are directly forwarded to selected brokers for execution without any intermediary action by Cornèr Bank. Brokers have direct access to the relevant trading venues and are also chosen based on their ability to achieve the best execution for the clients, taking into account the specific traded assets, regulations, and best practices.

## **9. Monitoring, Review and Update**

Cornèr Bank reviews the efficiency of its execution arrangements and processes, including its Best Execution Policy at least annually and additionally when material changes limit Cornèr Bank's ability to obtain the best possible result for its clients.

The list of Execution Venues and Brokers is regularly reviewed (at least annually and whenever material changes occur) and revised by Cornèr Bank. Material changes to either the Best Execution Policy, or Execution Venue and Broker lists are published on the Cornèr Bank website ([www.corner.ch/it/landing/lserfi/](http://www.corner.ch/it/landing/lserfi/)), where updated Best Execution documentation can be found.

## **10. Publishing of Client Limit Order**

If Cornèr Bank is instructed to execute Client Limit Orders of shares admitted to trading on a Trading Venue and these orders are not immediately executed under prevailing market conditions, Cornèr Bank might be obliged to make such Client Limit Orders public. Cornèr Bank might transmit such orders to a Regulated Market or MTF or make them public. This arrangement does not apply if explicitly instructed by the client. Cornèr Bank cannot guarantee the publication of all Client Limit Orders.

## **11. Sequential Execution**

Comparable orders are executed sequentially in accordance with their time of receipt unless the characteristics of an order or prevailing market conditions make this impossible or impractical.

## **12. Partial Execution**

Where an aggregated Client Order is only partially fulfilled, either due to operational or market conditions, allocation to clients will take place on a proportional basis. Where this is not possible the allocation will be in the best interests of all relevant clients and any allocation will be undertaken on a fair and reasonable basis.

## Best Execution Policy

This Best Execution Policy ("Policy"), also referred to as Client Order Execution and Allocation Policy, sets forth information relating to how Cornèr Bank Ltd, seek to provide Best Execution as required by the applicable rules and Markets practice when either executing or transmitting orders or quotes on behalf of clients.

### 1. Purpose of the Policy

This Policy provides general information in respect to Cornèr Bank's approach to Best Execution; it is supplemented by appendices which provide further details for consideration. The appendices should be read in conjunction with this Policy and cover the following sections: Equities Cash, Fixed Income Cash, Structured Products, Cross Asset OTC Derivatives, Foreign Exchange and Precious Metals, and Exchange Traded Derivatives.

The client shall acknowledge and agree to the content of this Best Execution Policy whenever the client places an order with Cornèr Bank following receipt of this Policy.

### 2. Scope of the Policy

#### 2.1 Clients

In accordance with regulatory requirements, Cornèr Bank classifies clients as Retail Client, Professional Client or Institutional Client. Different levels of investor protection and product offering apply to each client category and clients can in certain circumstances choose to change classification. The Relationship Manager is available to answer any client queries regarding client classification.

The obligation to provide Best Execution is applicable to clients categorized as Retail or Professional Clients of Cornèr Bank. Clients categorized as Institutional Counterparties are generally exempted from the Best Execution obligation.

#### 2.2 Products

The Best Execution requirements apply to all Financial Instruments according to [Schedule 1].

### 3. What is Best Execution?

Best Execution is the requirement to take all sufficient steps to systematically obtain the best possible result for the client when either directly executing transactions on clients' behalf (including execution in principal capacity) or transmitting Client Orders to intermediaries (affiliates or third parties Brokers) for execution.

### 3.1 Best Execution Factors

To achieve the best result Cornèr Bank will consider the following execution factors:

- 1) **Price** - this is the price a Financial Instrument is executed at
- 2) **Costs** - this includes implicit costs such as the possible market impact; explicit external costs e.g. exchange or clearing fees; and explicit internal costs which represents Cornèr Bank's own remuneration through commission or spread
- 3) **Speed** - time it takes to execute a client transaction including settlement
- 4) **Likelihood of execution and settlement** - the likelihood that Cornèr Bank will be able to complete a client transaction
- 5) **Size** - this is the size of the transaction executed for a client, accounting for how this affects the price of execution
- 6) **Nature** of the transaction or any other consideration relevant to the execution of the transaction - this is how the particular characteristics of a client transaction can affect how Best Execution is received

### 3.2 Application of Best Execution Factors

When handling orders for Retail Clients and in the absence of any specific client instruction, Cornèr Bank generally gives the factors of price and costs ("Total Consideration") a higher relative importance to the other factors which additionally will be considered as appropriate. There may be circumstances where the primary execution factors vary and price is no longer the dominant execution factor; for example, for transactions in illiquid securities, likelihood of execution and market impact become more important.

Where handling orders on behalf of a Retail Client, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs relating to execution, which shall include all expenses incurred by the client which are directly relating to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Factors other than the total amount payable may be given precedence over the immediate price and cost consideration only if these prove instrumental in providing the best possible result for the customer in terms of the total amount payable.

To determine the weighting of the execution factors, Cornèr Bank typically uses the following additional criteria, encompassing the characteristics of:

- The **client** including the categorization of the client as Retail or Professional
- The **Client Order** (such as the size of the transaction in relation to the market liquidity)
- The **Financial Instruments** that are subject to the order
- The **Execution Venues** to which the order can be directed

The asset class-specific policies contained as appendices to this Policy contain further information on how execution factors are considered for achieving Best Execution per asset class. While they set out the order of relative priority, a variety of criteria are taken into account in assessing this and appropriate consideration will be made based on a transaction by transaction basis.

### 3.3 Activities where Best Execution applies

The obligation to provide Best Execution will always arise in circumstances where Cornèr Bank is receiving and transmitting orders on the client's behalf, routing Client Orders to an Execution Venue or executing Client Orders in principal capacity (including hedged trades). Examples of the relevant types of orders that are applicable in these circumstances can be found in the asset class-specific policies contained as appendices to this Policy.

### 3.4 Client Specific Instructions

Where the client provides Cornèr Bank with a Specific Instruction in relation to an order, Cornèr Bank will follow that instruction when executing the trade as far as it is reasonably and commercially possible and in accordance with regulatory and compliance requirements. Any remaining portion of the order not covered by such instructions may still be applicable for Best Execution in accordance with the criteria laid out in this Policy. Examples of such instructions may include, but are not limited to, requests to execute on a particular venue or to execute an order over a particular timeframe.

**To the extent the client gives Cornèr Bank an instruction, this instruction overrides the Best Execution obligation for the scope of that particular part of an order, as any Client Specific Instruction may prevent Cornèr Bank from taking the steps that have been designed and implemented in the Best Execution Policy in respect of the elements covered by those instructions.**

It is important to note that Cornèr Bank reserves the right to refuse any client instruction should it be in contradiction to compliance rules.

### 3.5 Transactions with Limited Best Execution Efforts

Where Cornèr Bank has a direct contractual relationship with its clients, Best Execution principles will be applied for transactions involving New Issues, Mutual Funds and Hedge Funds. Due to the characteristics of these markets Cornèr Bank has limited discretion in defining the parameters of execution of these orders, and some obligations are considered to be fulfilled per se.

## 4. Method of Execution

When executing client transactions or when placing Client Orders with (or transmitting Client Orders to) other entities (including affiliates and third parties Brokers and counterparties), Cornèr Bank will take all sufficient steps in order to obtain the best possible result on a consistent basis. The various themes discussed in this section might differ depending on the respective asset class. Hence, please refer to the asset class- specific appendices for further details on the method of execution.

### 4.1 Different Methods of Execution

Cornèr Bank has two possibilities for handling Client Orders:

- Execution of orders (these are the typical execution services for clients; however, it can also comprise trading in principal capacity)

■ Reception and Transmission of Orders ("RTO")  
Cornèr Bank can choose to execute an order itself, either by placing the order on an external Execution Venue, OTC or by executing in principal capacity. Cornèr Bank can also choose to transmit Client Orders to an intermediate Broker, in which case it is deemed to offer the service of order transmission.

### 4.2 Execution Venue Types

Typically, Cornèr Bank may use one or more of the following venue types when executing Client Orders:

- Regulated Markets ("RegM")
- Other exchanges that are not Regulated Markets
- Multilateral Trading Facilities ("MTF")
- Organized Trading Facilities ("OTF")
- Cornèr Bank trading desks when Cornèr Bank acts in principal position or where acting as a liquidity provider by house-filling an execution
- Third parties Investment Firms, Brokers, and/or affiliates acting as Market Makers or other liquidity providers (note that Cornèr Bank has to comply with the obligation to act in accordance with the best interest of its clients when transmitting Client Orders to such entities for execution)
- Other internal sources of liquidity (including those based in Switzerland)

For the purpose of this Best Execution Policy, Execution Venue refers to any of the venues listed above, Trading Venue refers to the venue types RegM, MTF and OTF.

Selection of the Execution Venue / Trading Venue has a direct impact on the best possible result Cornèr Bank is able to obtain when executing orders.

If there are no Specific Instructions from the client, Cornèr Bank will use the following approach to select an Execution Venue for the relevant order:

- When placing orders on a RegM, an MTF or another provider of liquidity, Cornèr Bank will choose the most appropriate Execution Venue in order to achieve the best possible execution of the Client Order
- Cornèr Bank may itself act as an Execution Venue, if this is not to the disadvantage of the client. If Cornèr Bank acts as an Execution Venue, it shall use appropriate sources to achieve the best possible result for this order
- If in the best interest of the client and compliant with the duty of Best Execution, Cornèr Bank can also execute orders outside of a Trading Venue or select only one Execution Venue (including itself). For further information regarding the execution outside of a Trading Venue please refer to [Section 5.]
- If the Client Order relates to a bespoke Financial Instrument (e.g. Structured Products), Cornèr Bank will always execute orders itself. The price of the instrument can also be obtained from intermediaries Cornèr Bank is only obliged to ensure a fair price with respect to the overall instrument. Such products are often treated as a (bound by instructions) fixed-price transaction
- Cornèr Bank can arrange subscription orders for many primary market offerings. Where these are offered the firm relies on members of the book building syndicate acting on behalf of the issuer or on third parties Investment Firms whenever there is no relation to the members of the book building syndicate
- acts in principal position or where acting as a liquidity provider by house-filling an execution
- Third parties Investment Firms, Brokers, and/or affiliates acting as Market Makers or other liquidity providers (note that Cornèr Bank has to comply with the obligation to act in accordance with the best interest of its clients when transmitting Client Orders to such entities for execution)
- Other internal sources of liquidity (including those based in Switzerland)

If there is more than one competing venue to execute an order, Cornèr Bank's own commission will be taken into consideration in case it may vary depending on the choice of Execution Venue. If fees vary depending on the Execution Venue, these differences are explained in sufficient detail.

#### 4.3 Factors for selecting Appropriate Execution Venue

In general, and substantiating the factors set out in [Section 3.1. and 3.2. above], Cornèr Bank will take into consideration different factors when determining the Execution Venues that on a consistent basis provide clients with Best Execution:

- **Liquidity and price:** These factors ensure that Cornèr Bank is able to select those Execution Venues that are considered to provide good liquidity and prices. Overall it is expected that liquidity and price are closely (however not exclusively) associated with the market share the venue commands
- **Credit and settlement risk:** Cornèr Bank will only select those Execution Venues where it is possible to determine the obligations both for Cornèr Bank and for the respective counterparty when settling a transaction and resolving failed settlement
- **Operating models & infrastructure:** For Cornèr Bank it is important that the technical infrastructure of the venue selected is reliable and robust in order to provide stability for uninterrupted trading. In general, the venues Cornèr Bank chooses should work in a way that benefits the overall ability to achieve best execution (incl. fee schedules)
- **Speed of access, immediacy and likelihood of execution:** The importance which is attached to speed and likelihood of execution varies with the market model and asset class, i.e. for more illiquid products this factor will receive higher importance than in liquid markets
- **Execution Venue costs:** In General, Cornèr Bank's commission rates for execution reflect both the cost of providing own services combined with the costs that (are expected to) incur when external Execution Venues are used. The fees that are charged to Cornèr Bank by an Execution Venue therefore influence the costs incurred by clients

Cornèr Bank will not unfairly discriminate between Execution Venues or types but will make a decision based on a consideration of the execution factors. Where Cornèr Bank offers clients the possibility to select an alternative Execution Venue, fair, clear and not misleading information will be provided to support that decision. No information provided should be construed as a recommendation to select a particular venue.

Where executing orders on behalf of a Retail Client:

- a) the selection of the execution venue shall be based upon the total consideration factor, made up of the price of the financial instrument and related execution costs.

Said costs shall include all expense sustained by the customer and directly linked to execution of the order, including fees charged by the execution venue, compensation fees and the settlement of any other sum payable to third parties in relation to execution of the order. Factors other than the total amount payable may be given precedence over the immediate price and cost consideration only if these prove instrumental in providing the best possible result for the customer in terms of the total amount payable.

- b) the choice of the execution venue shall be based on the total consideration factor.

A full list of asset class-specific Execution Venues, which are accessed directly and on which Cornèr Bank may place significant reliance for the execution of client transactions, is attached to the Policy.

#### **4.4 Trading Venue Execution**

Depending on the execution channel and asset class used, for each Equity Client Order Cornèr Bank will identify a Best Trading Venue (“BTV”). A BTV is the Trading Venue that on a transactional basis is able to offer the best Total Consideration [Section 3.2.].

If Cornèr Bank is instructed to execute orders in shares admitted to trading on a Regulated Market or traded on a Trading Venue which are not immediately executed under prevailing market conditions, Cornèr Bank might be obliged to make that client Limit Order public. Cornèr Bank might transmit such orders to a Regulated Market, MTF or make it public. This arrangement does not apply if expressly instructed by the client. Cornèr Bank cannot guarantee the publication of all client Limit Orders. Orders for non-shares securities will not be made public. The Relationship Manager is available to answer any client queries.

#### **4.5 Cornèr Bank Book Execution / Single Venue Execution**

In order driven markets such as cash equities, and upon client consent to trade outside of Trading Venues, Cornèr Bank may choose to internalize the Client Order by executing the order or part of the order in principal capacity (please refer to [Section 5.] for further details on the execution outside of a Trading Venue). Cornèr Bank will execute in principal capacity only where it is concluded, by applying the same factors that are applied to external Execution Venues, that the execution in principal capacity provides the client with Best Execution.

In general, when clients place a request for a quote with Cornèr Bank for a Cornèr Bank issued product, or when Cornèr Bank contacts the client for the offering of a Cornèr Bank product, the order will be executed in principal capacity and Best Execution will be ensured through the demonstration of fair price. Moreover, Cornèr Bank will perform periodic reviews and, as the case may be ad-hoc Execution Venue, assessments by analyzing the execution quality reports provided by the Execution Venues.

#### **4.6 Broker Execution**

When executing Client Orders, Cornèr Bank may choose to utilize Brokers to assist in the execution of client trades. Cornèr Bank undertakes periodic reviews to determine that Brokers used are able to provide the appropriate level of expertise and the necessary experience when executing in the respective market. Furthermore, on a periodic basis Cornèr Bank also ensures that, while considering all relevant execution factors, Broker executions are monitored so that Cornèr Bank comes to the conclusion that execution is delivered on a best effort basis in the interest of the client. The use of Brokers is targeted to provide specific benefits to client execution. These factors include, but are not limited to, governance, oversight and transparency of an order, consistency of order handling and front to back trade processing.

Please refer to the asset class-specific appendices for more details on the Broker assessment process.

#### **4.7 Client Order Handling**

Cornèr Bank executes orders promptly and fairly. Clients are informed of any material difficulty relevant to the proper execution of their order as soon as practically possible.

Comparable orders are executed sequentially in accordance with their time of receipt unless the characteristics of an order or the prevailing market conditions make this impossible or impractical.

Where a Limit Order cannot be immediately executed, it will remain valid until the agreed expiry of the order. If no order validity has been agreed, then an order is only valid for the current business day. Cornèr Bank may aggregate single orders relating to a specific client with orders relating to other clients. Such aggregation overall is only performed provided this is in compliance with Best Execution and order handling requirements when it is unlikely that it will work overall to the disadvantage of any client whose order is to be aggregated. However, in relation to an individual order such disadvantage for a client cannot be excluded. Cornèr Bank never combines its own orders with the orders of clients.

Where an aggregated Client Order is only partially filled, either due to operational or market conditions, allocation to clients will take place on a proportional basis. Where this is not possible the allocation will be in the best interest of all relevant clients and any allocation will be undertaken on a fair and reasonable basis.

#### **4.8. Equal Treatment**

Cornèr Bank applies the principle of equal treatment for every transaction executed on behalf of its clients.

## 5. Consent to Execute Outside of a Regulated Market, MTF or OTF (Over-The-Counter (“OTC”))

Cornèr Bank may execute all or part of a Client Order outside of a Trading Venue.

Unless the client clearly instructs Cornèr Bank otherwise, the client will be treated as having consented to trade OTC. Cornèr Bank will execute Client Orders OTC if it is believed it is in the client’s best interests to do so (i.e. it allows Cornèr Bank the flexibility to choose from a wider range of Execution Venues). Clients should be aware that counterparty risk may occur in case the order is executed outside a Trading Venue. Counterparty risk refers to an event where the counterparty to a transaction fails to honour its obligations resulting from such a transaction e.g. by failing to pay for the delivered Financial Instruments.

In order to check the fairness of the proposed price to the client, each desk involved in dealing with such products defines the fairness of proposed prices through the usage of valuation models and underlying market data.

New Issues are not admitted to trading on any Trading Venue during the primary market phase, and as such Cornèr Bank executes such orders outside a Trading Venue. This can expose clients to risks relating to the issuer and/or syndicate members as well as third parties Investment Firms. Additional information is available on request.

## 6. Fees, Commissions and Mark-Ups

Fees, Commissions and Mark-Ups Regulators require that Cornèr Bank demonstrates that it is taking sufficient steps to obtain the best possible result for a client when the obligation arises. Cornèr Bank will ensure that mark-ups and spreads charged on transactions where Best Execution is owed are reasonable, not excessive and within a range that is considered reasonable for the product type, tenor and size of the trade.

Furthermore, Cornèr Bank will not seek to benefit from clients through asymmetric price movements, e.g. where Cornèr Bank may pass on any adverse price movements to the client while retaining any movement in the client’s favor.

Cornèr Bank adheres to rules regarding what type of inducements can be paid to or received from any counterparty involved in the execution of a Client Order. Cornèr Bank does not receive inducements from Trading Venues which are directly linked to the volume of trades allocated to that specific Trading Venue. The Relationship Manager is available to answer any client queries.

## 7. Monitoring, Review and Reporting

Cornèr Bank has implemented a governance framework and control process through which it monitors the effectiveness of the order execution arrangements (including this Policy), to identify and, where appropriate, correct any deficiencies. Through this governance framework and controls process, Cornèr Bank will assess whether the Execution Venues included in this Policy consistently provide the best possible result for the client or whether changes are needed to the execution arrangements.

Cornèr Bank will review the order execution arrangements and Policy at least annually or whenever a material change occurs that affects the ability to obtain the best result for the execution of Client Orders on a consistent basis using the venues found on Cornèr Bank’s internet site. Such material changes include, but are not limited to:

- Changes in the applicable regulatory framework
- Significant changes to Cornèr Bank’s organizational setup that could impact its ability to achieve the best possible result for the clients on a consistent basis

Any material changes to this Policy will be published via the Cornèr Bank internet portal and clients will be notified via the Cornèr Bank internet page where the latest Best Execution Policy can be found. In addition to adhering to this Policy, Cornèr Bank follows internally defined Best Execution guidelines in order to ensure that the right systems and processes are in place to enable Best Execution delivery on a consistent basis.

As an Investment Firm that executes Client Orders, Cornèr Bank will summarize and publish on an annual basis, for each class of Financial Instruments, the top five Execution Venues and Brokers in terms of trading volumes and values where it has executed Client Orders. In order to assess the execution quality of the Execution Venues Cornèr Bank will request and assess data published by the Execution Venues on their quality of order execution.

Cornèr Bank endeavors to answer any requests for information around the Best Execution Policy and the processes outlined clearly and in reasonable time. The Relationship Manager is available to answer any client queries.

## Equity Cash Appendix

This asset class specific policy provides further details with regards to the application of Best Execution in relation to Equity Cash instruments, which include shares, listed preferred shares, participations, rights, exchange traded funds (ETFs), exchange traded notes (ETNs) and listed structured products.

### 1. Introduction

This is an appendix to the overarching Cornèr Bank Best Execution Policy and should be read in conjunction with that document.

The product scope in this appendix may not be static and the Best Execution requirements stated in this appendix could also apply for new products covered by the respective desks (with similar order execution characteristics) or addressed in other/ newly established asset class specific appendices.

### 2. Application of Best Execution for In-Scope Products

For Equity Cash instruments the obligation to provide Best Execution will always arise in circumstances where Cornèr Bank is receiving and transmitting orders, routing orders to an Execution Venue (incl. third parties Market Makers or other external Liquidity Providers) or trading in a principal capacity.

Best Execution obligations are unlikely to apply where Professional Clients have asked for a quote (Request-for-Quote or RFQ) and it is determined that there is no legitimate reliance placed on Cornèr Bank to meet the relevant Best Execution requirements. However, Cornèr Bank endeavors to provide competitive pricing to all clients. Please refer to [Section 3.2 and 3.5.] in the Policy for further details.

### 3. Prioritization of Execution Factors

When executing transactions where Best Execution applies, Cornèr Bank will take into account the execution factors listed in [Section 3.1 and 3.2.] of the Cornèr Bank's Best Execution Policy.

While these are provided in order of relative priority below, a variety of criteria will be considered when assessing the prioritization of execution factors, including the appropriate consideration on an individual transaction basis. Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the order is received and the size of the order.

Generally, the most important execution factors for clients will be the price at which the relevant Financial Instrument is executed at and the associated costs. However, in more illiquid markets, the primary execution factors may vary. As such, the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs).

Where legitimate reliance is placed on Cornèr Bank when handling an Equity Cash order, Cornèr Bank will generally prioritize Best Execution factors as follows:

- 1) Price
- 2) Costs
- 3) Speed
- 4) Likelihood of execution and settlement
- 5) Size
- 6) Other considerations

In certain scenarios the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs). For Professional Clients for example, when Client Orders are posting liquidity, likelihood of execution may become a more important factor. Similarly, when clients choose to execute using a dark venues only strategy, other considerations (in the form of deliberate venue bias) becomes the primary factor. For high quantity orders from Private Clients in more illiquid markets, the likelihood of execution may become the primary execution factor if this has an effect on total price and costs, e.g. by increasing prices [Section 3.2.].

### 4. Order/Quote Handling

Cornèr Bank will determine how to handle Client Orders based on the prioritization of execution factors and considering any particular criteria or instructions provided.

Orders for Equity Cash instruments may be placed with Cornèr Bank through a variety of means. Orders placed manually (phone orders or instant messaging) or through electronic platforms will be dealt with by the responsible desk who will determine the strategy on handling Client Orders, based on the prioritization of execution factors above and considering any particular criteria or instructions provided.

Cornèr Bank's execution strategy may result in routing client orders to one or more Execution Venues immediately or working the client order over some period of time. The execution strategy employed will consider any information that the client provides, together with Cornèr Bank's knowledge of the relevant instrument and the market in which the client is seeking to execute.

Direct Market Access ("DMA") orders received by Cornèr Bank are passed through a smart order routing ("SOR") logic unless a specific venue is instructed.

In circumstances where Cornèr Bank does not take an active role in determining the Best Execution parameters, Cornèr Bank will seek to transact that order in accordance with their instructions. Cornèr Bank reserves the right however to intervene in the routing and execution of DMA orders where the original parameters are anticipated to result in adverse market impact.

Once an order has been received it may be split for execution in accordance with any accompanying specific instructions. As part of assessing how to split a Client Order, this may be done manually, via an algorithm or by a combination of the two. Client Specific Instructions permitting, market impact is taken into consideration.

Where Cornèr Bank does not support the clients' desired execution destination, Cornèr Bank may choose to direct the Client Order to an affiliate or a third parties Broker for execution in order to provide market access to such liquidity.

## **5. Execution Venues**

A summary of Execution Venues that are used by Cornèr Bank, either as a member, via an affiliate or through other third parties Brokers for transacting Equity Cash instruments, is attached to the Policy.

The venue and Broker assessment is the first stage in achieving Best Execution for Cornèr Bank's agency business by pre- selecting those Execution Venues and Brokers that enable Cornèr Bank to provide Best Execution on a consistent basis. This process will be conducted periodically - at least once per year - and ad-hoc if necessary.

The assessment of Execution Venues and Brokers is based on the factors as described in [Section 3.1 and 3.2] that enable the Equity Cash desks to obtain the best possible result when executing orders for their clients. In addition, data that will be provided by other market participants, like the Top 5 Execution Venues Report by Investment Firms, and the Execution Quality Report by Execution Venues, will be considered during the periodic assessment.

## Exchange Traded Derivatives Appendix

This asset class specific policy provides further details with regards to the application of Best Execution in relation to Exchange Traded Futures and Exchange Traded Options (collectively referred to as “Exchange Traded Derivatives” or “ETD”).

### 1. Introduction

This is an appendix to the overarching Cornèr Bank Best Execution Policy and should be read in conjunction with that document.

The product scope in this appendix may not be static and the Best Execution requirements stated in this appendix could also apply for new products covered by the respective desks (with similar order execution characteristics) or addressed in other/ newly established asset class specific appendices.

### 2. Application of Best Execution for In-Scope Products

For ETD instruments the obligation to provide Best Execution will always arise in circumstances where Cornèr Bank is receiving and transmitting orders, routing orders via an Execution Venue (incl. third parties Market Makers or other external liquidity providers) or trading in principal capacity.

Best Execution obligations are unlikely to apply where Cornèr Bank determines that there is no legitimate reliance placed on Cornèr Bank by Professional Clients to meet the relevant Best Execution requirements. Please refer to [Section 3.2. and 3.5.] of the Cornèr Bank Best Execution Policy for further details.

### 3. Prioritization of Execution Factors

When executing transactions where Best Execution applies, Cornèr Bank will consider the execution factors listed in [Section 3.1 and 3.2.] of the Cornèr Bank Best Execution Policy.

While these are provided in order of relative priority below, a variety of criteria will be considered in assessing the prioritization of execution factors, including the appropriate consideration on an individual transaction basis. Criteria for consideration include the characteristics of each transaction such as client preferences, market conditions, when the transaction is received and the size of the trade. Generally, the most important execution factor for clients will be the price at which the relevant Financial Instrument is executed at. However, in more illiquid markets, the primary execution factors may vary. As such, the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs).

For **Listed Derivatives** (Futures and Options including physically settled commodities via DMA) in **liquid markets**, for both quote driven and order driven activity,

- 1) Price
- 2) Size
- 3) Speed
- 4) Costs
- 5) Likelihood of execution and settlement
- 6) Other considerations

In certain scenarios the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs). For Professional Clients for example, when Client Orders are posting liquidity, likelihood of execution may become a more important factor. Similarly, when clients choose to execute using a dark venue only strategy, other considerations (in the form of deliberate venue bias) becomes the primary factor. For high quantity orders from Private Clients in more illiquid markets, the likelihood of execution may become the primary execution factor if this has an effect on total price and costs, e.g. by increasing prices [Section 3.2.].

For **Listed Derivatives** (Futures and Options including physically settled commodities via DMA) in **illiquid markets**, for both quote driven and order driven activity,

- 1) Likelihood of execution
- 2) Price
- 3) Costs
- 4) Size
- 5) Speed
- 6) Other considerations

Note that, for block trades executed outside of the central order book of the relevant exchange, while price will remain a key execution factor, the likelihood of execution and other considerations (such as confidentiality of the position) will also be important factors.

For other scenarios Cornèr Bank prioritizes execution factors as follows:

- 1) Other considerations
- 2) Size
- 3) Speed
- 4) Price
- 5) Likelihood of execution
- 6) Costs

#### **4. Order/Quote Handling**

Cornèr Bank will determine how to handle Client Orders based on the prioritization of execution factors and considering any particular criteria or instructions provided.

Orders for ETDs may be placed with Cornèr Bank through a variety of means. Orders placed manually (phone orders or instant messaging) or through electronic platforms will be dealt with by the responsible desk who will determine the strategy on handling Client Orders, based on the prioritization of execution factors above and considering any particular criteria or instructions provided.

Where an order is received that meets particular size criteria or specific parameters such as minimum block or crossing thresholds, it may be possible for Cornèr Bank to execute such orders outside of the central order book of the relevant exchange utilizing the exchanges block or crossing functionality. In such circumstances Cornèr Bank will look to secure the best possible result, given any parameters set, by using relationships with Market Makers or liquidity providers.

Where Cornèr Bank does not support the clients' desired execution destination, Cornèr Bank may choose to direct the Client Order to an affiliate or a third parties Broker for execution in order to provide market access to such liquidity. The affiliate or third parties Broker charges a commission for the execution which is in turn passed on to the client.

#### **5. Execution Venues**

A summary of Execution Venues that are used by Cornèr Bank, either as a member, via an affiliate or through other third parties Brokers for transacting ETD instruments is attached to the Policy.

The venue and Broker assessment is the first stage in achieving Best Execution for Cornèr Bank's agency business by pre- selecting those Execution Venues and Brokers that enable Cornèr Bank to provide Best Execution on a consistent basis. This process will be conducted periodically - at least once per year - and ad-hoc if necessary.

The assessment of Execution Venues and Brokers is based on the factors as described in [Section 3.1 and 3.2.] that enable the ETD desks to obtain the best possible result when executing orders for their clients. In addition, data that will be provided by other market participants, like the Top 5 Execution Venues Report by Investment Firms, and the Execution Quality Report by Execution Venues will be considered during the periodic assessment.

When placing an ETD order, clients always provide a binding venue. The ETD Broker selection then takes place after the venue selection.

## Fixed Income Cash Appendix

This asset class specific policy provides further details with regards to the application of Best Execution in relation to Fixed Income Cash instruments, which include straight bonds, convertible bonds, floating rate notes, zero coupon bonds, inflation linked bonds, alternative bonds, medium term notes (CH), contingent convertible (CoCo) bonds and treasury bills.

### 1. Introduction

This is an appendix to the overarching Cornèr Bank Best Execution Policy and should be read in conjunction with that document.

The product scope in this appendix may not be static and the Best Execution requirements stated in this appendix could also apply for new products covered by the respective desks (with similar order execution characteristics) or addressed in other/ newly established asset class specific appendices.

### 2. Application of Best Execution for In-Scope Products

For Fixed Income Cash instruments the obligation to provide Best Execution will always arise in circumstances where Cornèr Bank is receiving and transmitting orders, routing orders to an Execution Venue (incl. third parties Market Makers or other external Liquidity Providers) or trading in a principal capacity.

Best Execution obligations are unlikely to apply where Professional Clients have asked for a quote (Request-for-Quote or RFQ) and it is determined that there is no legitimate reliance placed on Cornèr Bank to meet the relevant Best Execution requirements. However, Cornèr Bank endeavors to provide competitive pricing to all clients. Please refer to [Section 3.5.] in the Policy for further details.

For example, where a bond bidding process is undertaken by a Professional Client and Cornèr Bank is one of many recipients of the list of securities and/or loans, legitimate reliance is deemed not to be placed on Cornèr Bank with the selling investor executing at the highest bid received. In such circumstances Best Execution will not apply.

### 3. Prioritization of Execution Factors

When executing transactions where Best Execution applies, Cornèr Bank will consider the execution factors listed in [Section 3.1 and 3.2.] of the Cornèr Bank Best Execution Policy.

While these are provided in order of relative priority below, a variety of criteria will be considered when assessing the prioritization of execution factors, including the appropriate consideration on an individual transaction basis.

Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the order is received and the size of the order.

Generally, the most important execution factor for clients will be the price at which the relevant Financial Instrument is executed at. However, in more illiquid markets, the primary execution factors may vary. As such, the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs).

Where legitimate reliance is placed on Cornèr Bank when handling a Fixed Income Cash order, Cornèr Bank generally prioritizes Best Execution factors as follows:

For orders in a **liquid** instrument,

- 1) Price
- 2) Speed
- 3) Size
- 4) Likelihood of execution
- 5) Costs
- 6) Other considerations

For orders in an **illiquid** instrument,

- 1) Likelihood of execution
- 2) Price
- 3) Size
- 4) Speed
- 5) Costs
- 6) Other considerations [Section 3.2.]

### 4. Order/Quote Handling

Cornèr Bank will determine how to handle Client Orders based on the prioritization of execution factors and considering any particular criteria or instructions provided.

Orders for Fixed Income Cash instruments may be placed with Cornèr Bank through a variety of means. Orders placed manually (phone orders or instant messaging) or through electronic platforms will be dealt with by the responsible desk who will determine the strategy on handling Client Orders, based on the prioritization of execution factors above and considering any particular criteria or instructions provided. A Client Order in a Fixed Income Cash instrument is either automatically or manually executed with a counterparty (e.g., based on pre-selected counterparties, Cornèr Bank requests a quote from multiple dealers) considering the Best Execution factors.

The execution strategy may result in routing a Client Order to one or more Execution Venues immediately or working the order over some period of time. The execution strategy employed will take into account any information that the client provides to Cornèr Bank, together with its knowledge of the relevant instrument and the market in which the client is seeking to execute in.

## **5. Execution Venues**

A summary of Execution Venues that are used by Cornèr Bank, either as a member or through other third parties Brokers for transacting Fixed Income Cash instruments, is attached to the Policy.

The venue and Broker assessment is the first stage in achieving Best Execution for Cornèr Bank's agency business by pre-selecting those Execution Venues and Brokers that enable Cornèr Bank to provide Best Execution on a consistent basis.

This process will be conducted periodically - at least once per year - and ad-hoc if necessary.

The assessment of Execution Venues and Brokers is based on the factors as described in [Section 4.3.] that enable the Fixed Income Cash desks to obtain the best possible result when executing orders for their clients. In addition, data that will be provided by other market participants, like the Top 5 Execution Venues Report by Investment Firms, and the Execution Quality Report by Execution Venues, will be considered during the periodic assessment.

## Structured Products Appendix

This asset class specific policy provides further details with regards to the application of Best Execution in relation to Structured Product instruments, which include all Structured Products issued or selected by Cornèr Bank with either Equity, Fixed Income or Commodity underlying as well as all additional Structured Products issued by a third parties and distributed via Cornèr Bank.

### 1. Introduction

This is an appendix to the overarching Cornèr Bank Best Execution Policy and should be read in conjunction with that document. The product scope in this appendix may not be static and the Best Execution requirements stated in this appendix could also apply for new products covered by the respective desks (with similar order execution characteristics) or addressed in other/ newly established asset class specific appendices.

### 2. Application of Best Execution for In-Scope Products

For Structured Product instruments the obligation to provide Best Execution will always arise in circumstances where Cornèr Bank is receiving and transmitting orders, routing orders via an Execution Venue (incl. third parties Market Makers or other external liquidity providers) or trading in a principal capacity. Best Execution obligations are unlikely to apply where Professional Clients have asked for a quote (Request-for-Quote or RFQ) and it is determined that there is no legitimate reliance placed on Cornèr Bank to meet the relevant Best Execution requirements. However, Cornèr Bank endeavors to provide competitive pricing to all clients. Please refer to [Section 3.5.] in the Policy for further details.

Cornèr Bank primarily trades in a principal capacity providing responses to clients' requests for quotes (RFQ) and therefore Cornèr Bank acts as a liquidity provider. As Cornèr Bank operates in a competitive market for the execution of clients' RFQs of Structured Product instruments, the expectation is that clients have access to multiple dealers and pricing sources.

### 3. Prioritization of Execution Factors

When executing transactions where Best Execution applies, Cornèr Bank will consider the execution factors listed in [Section 3.1. and 3.2.] of the Cornèr Bank Best Execution Policy.

While these are provided in order of relative priority below, a variety of criteria will be considered when assessing the prioritization of execution factors, including appropriate consideration on an individual transaction basis. Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the transaction is received and the size of the order. Generally, an important execution factor for clients will be the price at which the relevant financial instrument is executed. Typically, the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs).

#### *Primary Market Structured Products issued or selected by Cornèr Bank with Equity underlying*

As part of the price finding process for Structured Products with Equity underlying, Cornèr Bank also takes into consideration a number of other execution factors, such as liquidity of the underlying, maturity of the transaction, counterparty credit risk and platform/ technology dependencies. Moreover, depending on the complexity of the product, client engagement in creating the product/ transaction and bespoke nature of the transaction, the primary execution factors may vary. As such, the likelihood and speed of execution potentially being a more important factor than price.

Where legitimate reliance is placed on Cornèr Bank when handling a Structured Product order with Equity underlying, Cornèr Bank generally prioritizes execution factors as follows:

#### For a **Structured Note/ Product** transaction with **Equity underlying (buy-side)**,

- 1) Likelihood of execution
- 2) Price
- 3) Costs
- 4) Speed
- 5) Size
- 6) Other considerations

#### For a **Structured Note/ Product** transaction with **Equity underlying (sell-side)**,

- 1) Likelihood of execution
- 2) Costs
- 3) Speed
- 4) Size
- 5) Price
- 6) Other considerations

#### For a **vanilla Structured Product** with **Equity underlying (buy- and sell- side)**,

- 1) Price
- 2) Size
- 3) Costs
- 4) Speed
- 5) Likelihood of execution
- 6) Other considerations

#### For a **complex Structured Product** with **Equity underlying (buy- and sell- side)**,

- 1) Likelihood of execution
- 2) Price
- 3) Size
- 4) Speed
- 5) Price
- 6) Other considerations

When executing trade unwinds in Structured Note/Product transactions the execution factors are changed with price becoming the most significant, followed by likelihood of execution and speed.

In all cases, pricing of transactions will incorporate consideration of the execution factors size and cost, as well as other factors such as liquidity of the underlying, maturity, market conditions, platform/technology requirements [Section 3.2.].

*Primary Market Structured Products issued or selected by Cornèr Bank with Interest Rate underlying*  
Generally, the price is the most important execution factor. However, in more illiquid markets, the primary execution factors may vary. As such, likelihood of execution, counterparty exposure, or size may become a more relevant execution factor. Where legitimate reliance is placed on Cornèr Bank when handling a Structured Product order with Interest Rate underlying, Cornèr Bank generally prioritizes execution factors as follows:

For a **Structured Product with Interest Rate underlying in liquid markets (buy- and sell-side),**

- 1) Price
- 2) Size
- 3) Speed
- 4) Likelihood of execution
- 5) Costs
- 6) Other considerations

For a **Structured Product with Interest Rate underlying in illiquid markets (buy- and sell-side)**

- 1) Size
- 2) Price
- 3) Likelihood of execution
- 4) Speed
- 5) Costs
- 6) Other considerations [Section 3.2.]

*Primary Market Structured Products issued or selected by Cornèr Bank with Credit underlying*  
Generally, the price is the most important execution factor. However, in more illiquid markets, the primary execution factors may vary. As such, likelihood of execution, counterparty exposure, or size may become a more relevant execution factor.

Where legitimate reliance is placed on Cornèr Bank when handling a Structured Products order with Credit underlying, Cornèr Bank generally prioritizes execution factors as follows:

For a **Structured Product with Credit underlying in liquid markets (buy- and sell-side),**

- 1) Price
- 2) Speed
- 3) Size
- 4) Likelihood of execution
- 5) Costs
- 6) Other considerations

For a **Structured Product with Credit underlying in illiquid markets (buy- and sell-side),**

- 1) Likelihood of execution
- 2) Price
- 3) Size
- 4) Speed
- 5) Costs
- 6) Other considerations [Section 3.2.]

*Primary and Secondary Market third parties- issued Structured Products*

For third parties-issued Structured Products in the Primary and Secondary Market generally, only one price provider is available. Even if the products are listed on a venue, only one liquidity provider (resp. Lead manager) is acting as a market maker.

The factor prioritization for non-listed third parties-issued Structured Products in the primary and secondary market are similar to the factor prioritization for Fixed Income Cash instruments and for listed Structured Products similar to the factor prioritization for Equity Cash. Please refer to [Section 3.] in the Equity Cash and Fixed Income Cash Appendices for further information.

#### **4. Order/Quote Handling**

Cornèr Bank will determine how to handle Client Orders based on the prioritization of execution factors and considering any particular criteria or instructions provided.

Orders for Structured Product instruments may be placed with Cornèr Bank through a variety of means. Orders placed manually (e.g. phone orders, e-mail or instant messaging) or through electronic platforms will be dealt with by the responsible desk who will determine the strategy on handling Client Orders, based on the prioritization of execution factors above and considering any particular criteria or instructions provided.

Cornèr Bank trades Structured Product instruments either directly on internal (i.e. trading in principal capacity) or external (i.e. third parties Market Makers or other external liquidity providers) Execution Venues or uses third parties Brokers to access Execution Venues.

*Primary and Secondary Market Structured Products issued or selected by Cornèr Bank*

Such Structured Products are typically constructed as a unique relationship between Cornèr Bank and the client. In case the client does not give a Specific Instruction to use Cornèr Bank and Cornèr Bank product capabilities, Cornèr Bank takes the view that it has complied with the Best Execution obligation per se (i.e. Best Execution is achieved in terms of a customized contract), along with the provision of fair pricing by Cornèr Bank.

If Cornèr Bank has the capabilities to structure and issue the product in the best interest of the client in accordance with the Best Execution factors, Cornèr Bank will be the preferred provider for the Structured Product. If Cornèr Bank does not have the capabilities to structure and issue the product in the best interest of the Client, Cornèr Bank reserves the right to request prices from various third parties providers.

*Primary and Secondary Market third parties-issued Structured Products*

Cornèr Bank executes Client Orders for third parties-issued Structured Products in the primary and secondary market either on a Trading Venue or through the third parties provider/issuer. In this context orders for non-listed Structured Products are executed directly with the third parties issuer via the corresponding platforms. As Broker costs do not differ for the client they will not explicitly be considered during order routing decision making. Additional costs can occur if the client instructs to execute on a specific Trading Venue which then would be charged to the client.

**5. Execution Venues**

A summary of Execution Venues that are used by Cornèr Bank, either as a member, via an affiliate or through other third parties Brokers for transacting Structured Product instruments is attached to the Policy.

The venue and Broker assessment is the first stage in achieving Best Execution for Cornèr Bank's agency business by pre- selecting those Execution Venues and Brokers that enable Cornèr Bank to provide Best Execution on a consistent basis. This process will be conducted periodically – at least once per year and if required also on an ad-hoc basis.

The assessment of Execution Venues and Brokers is based on the factors as described in [Section 3.1 and 3.2.] that enable the Structured Products desks to obtain the best possible result when executing orders for their clients. In addition, data that will be provided by other market participants, like the Top 5 Execution Venues Report by Investment Firms, and the Execution Quality Report by Execution Venues will be considered during the periodic assessment.

*Primary and Secondary Market Structured Products issued or selected by Cornèr Bank*

Cornèr Bank Primary Market Structured Products are generally priced with Cornèr Bank as a single Execution Venue. This is due to the fact that those instruments are usually structured as a unique relationship between Cornèr Bank and the client to meet the specific client's needs, involving a series of judgments on different transaction-specific factors.

Consequently, Cornèr Bank typically constitutes the principal pool of liquidity for such Client Orders and reaching out to other Execution Venues for quotes would typically not result in meaningful information as those Execution Venues' knowledge about the client and the tailoring would be limited.

Furthermore, with regards to the characteristics of a financial instrument and the order, trading in a principal capacity offers a unique speed and likelihood of execution.

For trades whose parameters meet pre- defined, market-agreed criteria, Cornèr Bank may request quotes from third parties providers. In this context, these investment firms (i.e., Execution Venues), including Cornèr Bank, are regularly reviewed. The counterparty risk and the service quality are of particular importance and are reflected accordingly in the assessment criteria for primary market Structured Products selected by Cornèr Bank. The listed providers, i.e. the Execution Venues (including Cornèr Bank), fulfil criteria with regards to:

- Creditworthiness
- Market share
- Service/ product coverage
- Existing relationships
- Reputation
- Quality of the life cycle management
- Secondary market making
- Appropriate documentation/ evidencing the product features

The following quantitative figures are used for the assessment (per asset class of underlying):

Creditworthiness

- Number of competitive requests
- Number of closed deals
- Number of no quote
- Traded notional (CHF m)
- Hit ratio (closed/ requests in %)

*Primary and Secondary Market third parties- issued Structured Products*

For Primary and Secondary Market third parties-issued Structured Products generally only one price provider is available. Even if the products are listed on a venue, only one liquidity provider is acting as a market maker (issuers and or product creator are offering an after- market/secondary-market). This means that for such Structured Products often there is only one potential counterparty (i.e., issuer/ lead manager) to trade with/ against.

The assessment of Brokers and counterparties that are quoting prices for Secondary Market third parties-issued Structured Products on Execution Venues (such as Bloomberg) is covered according to the description in [Section 5.] of the Equity Cash and Fixed Income Cash Appendices.

In addition, for all services in which Cornèr Bank either executes and/or transmits Client Orders, data that will be provided by other market participants, like the Top 5 Execution Venues Report by Investment Firms, and the Execution Quality Report by Execution Venues, will be considered during the periodic assessment.

## Foreign Exchange and Precious Metals Appendix

This asset class specific policy provides further details with regards to the application of Best Execution in relation to Foreign Exchange (FX) and Precious Metals (PM) instruments, which include forwards, swaps and options (collectively referred to as FX and PM transactions).

### 1. Introduction

This is an appendix to the overarching Cornèr Bank Best Execution Policy and should be read in conjunction with that document.

For the execution of other FX and PM products not covered by the obligations of Best Execution Cornèr Bank endeavors to treat any clients entering into such orders fairly as well as to manage any conflict of interest which may arise.

The product scope in this appendix may not be static and the Best Execution requirements stated in this appendix could also apply for new products (e.g. Dual Currency Products) covered by the respective desks (with similar order execution characteristics) or addressed in other/ newly established asset class specific appendices.

### 2. Application of Best Execution for In-Scope Products

For FX and PM instruments the obligation to provide Best Execution will always arise in circumstances where Cornèr Bank is routing orders to an Execution Venue (external Liquidity Providers) or trading in a principal capacity.

Best Execution obligations are unlikely to apply where Professional Clients have asked for a quote (Request-for-Quote or RFQ) and it is determined that there is no legitimate reliance placed on Cornèr Bank to meet the relevant Best Execution requirements. However, Cornèr Bank endeavors to provide competitive pricing to all clients. Please refer to [Section 3.5.] in the Policy for further details.

### 3. Prioritization of Execution Factors

When executing transactions where Best Execution applies, Cornèr Bank will consider the execution factors listed in [Section 3.1. and 3.2.] of the Cornèr Bank Best Execution Policy.

While these are provided in order of relative priority below, a variety of criteria will be considered when assessing the prioritization of execution factors, including the appropriate consideration on an individual transaction basis. Criteria for consideration include the characteristics of each individual transaction such as client preferences, market conditions, when the order is received and the size of the order. Generally, the most important execution factor for clients is the price at which the relevant Financial Instrument is executed at. However, as set out below, in more illiquid markets, the primary execution factors may vary. As such, the non-price factors likelihood and speed of execution and settlement as well as size or nature of the order (incl. instrument liquidity) may be as important as the factor price (and costs).

Where legitimate reliance is placed on Cornèr Bank when handling a FX and PM order, Cornèr Bank generally prioritizes best execution factors as follows:

For **FX/PM Forward and FX Swap** trades in **liquid** markets, for both quote driven and order driven activity,

- 1) Price
- 2) Speed
- 3) Size
- 4) Costs
- 5) Likelihood of execution
- 6) Other considerations

For **FX/PM Forward and FX Swap** trades in **illiquid** markets, for both quote driven and order driven activity,

- 1) Size
- 2) Costs
- 3) Likelihood of execution
- 4) Price
- 5) Speed
- 6) Other considerations

For **FX/PM Option** trades in **liquid** markets, for both quote driven and order driven activity,

- 1) Price
- 2) Size
- 3) Speed
- 4) Likelihood of execution
- 5) Costs
- 6) Other considerations

For **FX/PM Option** trades in **illiquid** markets, for both quote driven and order driven activity,

- 1) Size
- 2) Price
- 3) Speed
- 4) Likelihood of execution
- 5) Costs
- 6) Other considerations

Other factors may be prioritized over price in illiquid markets because the size of the order could impact the market and costs could be higher. The best result for Private Clients is primarily determined by the price and cost consideration. Hence, the execution factors prioritization showed above for Professional Clients are re-set for Private Clients by moving price and costs to the top across all instruments and market liquidities.

When a **Professional Client** uses an **electronic trading platform**, Cornèr Bank prioritizes the execution factors as follows, **regardless of market illiquidity**:

- 1) Price
- 2) Likelihood of execution
- 3) Cost
- 4) Speed
- 5) Size
- 6) Other considerations (e.g. venue restrictions)

When a **Private Client** uses an **electronic trading platform**, execution factors shown above are re-set by moving price and costs to the top of the prioritization list.

#### 4. Order/Quote Handling

Cornèr Bank will determine how to handle Client Orders based on the prioritization of execution factors and considering any particular criteria or instructions provided.

Orders for FX and PM instruments may be placed with Cornèr Bank through a variety of means. Orders placed manually (e.g. phone orders, email or instant messaging) or through electronic platforms will be executed via the responsible desk who will determine the strategy on handling Client Orders, based on the prioritization of execution factors above and considering any particular criteria or instructions provided.

#### 5. Execution Venues

##### *Trading in principal capacity*

When dealing with FX and PM instruments, Cornèr Bank trades in a principal capacity and therefore, the Execution Venue will usually be Cornèr Bank. This is due to the fact that those instruments are usually structured as a unique relationship between Cornèr Bank and the client to meet the specific client's needs, involving a series of judgments on different transaction specific factors.

Furthermore, with regards to the characteristics of a Financial Instrument and the order, trading in a principal capacity offers a unique speed and likelihood of execution.

##### *Trading in riskless principal capacity*

When Cornèr Bank carries out FX transactions on a riskless principal basis, the Client Order is executed against a pool of liquidity providers with Cornèr Bank's own trading desk being one of all equally treated price providers.

The performance of the pre-selected liquidity providers contributing to the price aggregation process of the riskless principal service is subject to a regular measurement and assessment process. This process will be conducted periodically - at least once per year - and ad-hoc if necessary.

Likewise, there is an onboarding process in place for new liquidity providers aimed at verifying the fulfillment of the minimum requirements set by Cornèr Bank.

In addition, for all services in which Cornèr Bank either executes and/or transmits Client Orders, data that will be provided by other market participants, like the Top 5 Execution Venues Report by Investment Firms, and the Execution Quality Report by Execution Venues, will be considered during the periodic assessment.

## **Contracts for difference (CFDs) and OTC Derivatives**

This asset class specific policy provides further details with regards to the application of Best Execution in relation to Contracts for difference (CFDs) and OTC Derivatives instruments, which include equity, interest rate, forex, and commodity derivatives products.

### **1. Introduction**

This is an appendix to the overarching Cornèr Bank Best Execution Policy and should be read in conjunction with that document.

The product scope in this appendix may not be static and the Best Execution requirements stated in this appendix could also apply for new products (e.g. Dual Currency Products) covered by the respective desks (with similar order execution characteristics) or addressed in other/ newly established asset class specific appendices.

### **2. Application of Best Execution for In-Scope Products**

Transactions involving CFDs will be executed only through the online trading platform and therefore will be directly forwarded to selected brokers for execution without any intermediary action by Cornèr Bank. Brokers are chosen based on specific criteria that meet regulatory requirements and international standards. Each broker guarantees a Best Execution Policy that complies with regulatory requirements and is available on their website. The criteria for Best Execution may vary between brokers.

## Schedule 1: Financial Instruments in Scope of this Policy

- 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, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- 5 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);
- 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 and/or a MTF;
- 7 Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in 6 above 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 recognized clearing houses or are subject to regular margin calls;
- 8 Derivative instruments for the transfer of credit risk;
- 9 Financial contracts for differences; and
- 10 Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances 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 (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 recognized clearing houses or are subject to regular margin calls.

## Schedule 2: Definitions

<b>Broker</b>	Means street-side counterparties or providers through which Cornèr Bank executes or transmits orders.
<b>Client Order</b>	Client Order is a verbal, electronic (e.g. Bloomberg, FIX) or written agreement to execute a transaction on behalf of a client regardless of whether Cornèr Bank is acting in a principal, riskless principal or agency capacity in any of the Financial Instruments listed in Schedule 1.
<b>Client Specific Instruction</b>	Specific Instructions are instructions provided to Cornèr Bank by a client when placing an order for execution, examples of such instructions are, but are not limited to, the selection of a limit price, a period of time the order may remain valid or a request to execute the order on a specific venue.
<b>Institutional Client</b>	Institutional Client shall have the meaning provided for in the Federal Act on Financial Services (FINSA). Institutional Client are, in particular, financial intermediaries, insurance companies, central banks, national and supranational public entities with professional treasury operations, as well as occupational pension schemes with professional treasury operations and other occupational pension institutions providing professional treasury operations or companies with professional treasury operations that declared that they wish to be treated as institutional clients (Art. 4 para. 4 FINSA; Art. 5 para. 3 FINSA).
<b>Execution Quality Report</b>	Execution Venues are required to report on the execution quality achieved, published on a quarterly basis.
<b>Execution Venue</b>	Execution Venue refers to Regulated Markets, MTFs or OTFs and other liquidity providers or entities that perform a similar function.
<b>Financial Instrument</b>	Financial Instrument is defined in Schedule 1.
<b>Investment Firm</b>	Investment Firm means any legal person whose regular occupation or business is the provision of one or more investment services to third parties and/or the performance of one or more investment activities on a professional basis.
<b>Client Limit Order</b>	Client Limit Order means an order to buy or sell a financial instrument at its specified price limit or better and for a specified size.
<b>Market Maker</b>	Market Maker means a person who holds himself out on the financial markets on a continuous basis as being willing to deal on own account by buying and selling financial instruments against that person's proprietary capital at prices defined by that person.
<b>Market Operator</b>	Market Operator means a person or persons who manages and/or operates the business of a regulated market and may be the regulated market itself.
<b>Multilateral Trading Facility ("MTF")</b>	Multilateral Trading Facility ("MTF") means a multilateral system, operated by an Investment Firm or a Market Operator, which brings together multiple third parties 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 in accordance with the Directive.
<b>Organized Trading Facility ("OTF")</b>	Organized trading facility ("OTF") means a multilateral system which is not a Regulated Market or an MTF, and in which multiple third parties buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in accordance with the Directive.

<b>Professional Client</b>	Professional Client shall have the meaning provided for in the Federal Act on Financial Services (FINSA). Professional Clients are, in particular, public entities with professional treasury operations, occupational pension schemes with professional treasury operations and other occupational pension institutions providing professional treasury operations, companies with professional treasury operations, large companies, private investment structures with professional treasury operations created for high-net-worth retail clients, as well as high-net-worth retail clients and private investment structures created for them that declared that they wish to be treated as professional clients (Art. Art. 4 para. 3 FINSA; Art. 5 para 1-2 FINSA).
<b>Regulated Market</b>	Regulated Market means a multilateral system operated and/or managed by a Market Operator, which brings together or facilitates the bringing together of multiple third parties 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 and/or systems, and which is authorized and functions regularly and in accordance with the Directive.
<b>Retail Client</b>	Retail Client shall have the meaning provided for in the Federal Act on Financial Services (FINSA). Retail Clients are, in particular, clients who are not a Professional Clients (Art. 4 para. 2 FINSA).
<b>RTO</b>	RTO means the order handling process when Cornèr Bank receives and transmits a client order to an intermediate Broker.
<b>Systematic Internalizer ("SI")</b>	Systematic Internalizer means an Investment Firm which, on an organized, frequent systematic and substantial basis, deals in principal capacity when executing Client Orders outside a Regulated Market, an MTF or an OTF without operating a multilateral system.
<b>Total Consideration</b>	Price of the Financial Instrument and the costs relating to execution, which shall include all expenses incurred by the client that are directly relating to the execution of the order, including Execution Venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.
<b>Trading Venue</b>	Trading Venue means any RegM, MTF or OTF

### Schedule 3: Execution Venues on which Cornèr Bank places Significant Reliance

The venues on which Cornèr Bank places significant reliance to comply with its Best Execution Policy is made up of the Regulated Markets, MTFs, OTFs (where relevant) to which the entities in scope of this Policy have direct access.

The list will be reviewed and updated at least annually and is publically available as part of the Bank's Best Execution Policy published at [www.corner.ch/it/landing/lserfi/](http://www.corner.ch/it/landing/lserfi/)

#### Authorised Brokers 2024

Broker	Bonds	Shares	NAV Funds	ETF	Other
ABG Sundal Collier ASA, Oslo	X				
Arctic Securities AS, Oslo	X				
Ashenden Finance SA succursale di Lugano, Lugano	X				
Auriga Global Investor SV S.A., Madrid	X				
Australian & New Zealand Banking Group Ltd., Melbourne	X				
Banca Akros, Milano	X				
Banca Credinvest S.A., Lugano	X				X
Banca Generali, Trieste	X				
Banca Nazionale Svizzera, Berna	X				
Banca Patrimoni Sella & Co. SpA, Torino	X	X			
Banco Bilbao Vizcaya Argentaria SA, Madrid	X				X
Banco Santander SA, Madrid	X				
Bank Frick & Co. AG, Balzers (LI)	X			X	X
Bank J. Safra Sarasin Ltd., Basilea	X				X
Bank Julius Baer & Co. Ltd., Zurigo	X				
Bank of America Merrill Lynch International DAC, Londra	X				X
Bank of China (Europe) SA, Lussemburgo	X				
Bank Vontobel AG, Zurigo	X		X	X	X
Banque Cantonale Vaudoise, Losanna					X
Barclays Bank Plc., Londra	X				
Basler Kantonalbank, Basilea	X				
Bay Crest Partners Llc, New York					X
BCP European Agencia de Valores, Madrid	X				
Bendura Bank, Gamprin	X				
BNP Paribas (Suisse), Ginevra	X				
BNP Paribas SA, Parigi	X				X

Broker	Bonds	Shares	NAV Funds	ETF	Other
Bondpartners SA, Losanna	X	X		X	
Bridport & Cie SA, Ginevra	X				X
Canaccord Genuity Ltd., Londra	X	X		X	
Canadian Imperial Bank of Commerce, Londra	X				
Carax, Parigi	X				
CFO SIM SpA, Milano	X	X		X	
CIBC Capital Markets (Europe) S.A, Lussemburgo					X
Citigroup Global Markets Ltd., Londra	X				X
Commerzbank AG, Francoforte	X				X
Compass Asset Management, Lugano	X				
Coöperative Rabobank NV, Utrecht	X				
Credit Agricole CIB, Parigi	X				X
Credit Suisse (Switzerland), Zurigo	X	X	X	X	X
Credit Suisse International, Londra	X	X		X	X
Daiwa Capital Markets Europe Ltd., Londra	X	X		X	X
Deutsche Bank AG, Francoforte	X				X
DNB Bank, Oslo	X				
DZ Bank AG, Francoforte	X				
ED & F Man Capital Markets, New York	X				
EFG Bank, Lugano					X
EFG Bank (Luxembourg) SA, Lussemburgo	X				
Equita SIM SpA, Milano	X				
Goldman Sachs International, Londra	X				X
Guy Butler Ltd., Londra	X				
IFP Intermoney Financial Products, Pully	X				
IG Bank SA, Ginevra					X
ING Bank NV, Amsterdam	X				
Intermonte SIM SpA, Milano					X
Intesa Sanpaolo SpA, Milano	X	X			
ISP Securities AG, Zurigo	X				X
Invicta Securities Ltd., Londra	X				
Jane Street Financial Ltd., Londra	X			X	
Jefferies International Ltd., Londra	X	X			
JP Morgan Chase Bank, N.A., Londra	X				

Broker	Bonds	Shares	NAV Funds	ETF	Other
JP Morgan Securities PLC, Londra					X
KBC Bank NV, Bruxelles	X				
Kepler Cheuvreux, Parigi	X	X		X	X
KNG Securities, Londra					X
Landesbank Baden Württemberg, Stoccarda	X				
Leonteq Securities AG, Zurigo					X
Lloyds Bank Corporate Markets Wert. GmbH, Francoforte	X				
Luzerner Kantonalbank, Lucerna					X
Marex Financial Ltd., Londra					X
Mediobanca SpA, Milano	X	X		X	
Millennium Advisors LLC, Charlotte	X				
Millennium Europe Ltd., Londra	X				
MIT SIM SpA, Milano		X			
Mitsubishi UFJ Trust International Ltd., Londra	X				
Mizuho Securities USA Inc., NY					X
Morgan Stanley & Co. International, Londra	X			X	X
MPS Capital Services Banca per le Imprese SpA, Firenze	X				
Natixis Securities America LLC, NY	X				X
Natixis, Parigi	X				X
NatWest Markets Plc. Londra	X				
Nomura International Plc, Londra	X				X
Octo Finance, Parigi	X				
Oddo BHF, Parigi	X				
Oppenheimer & Co. Inc., New York		X		X	X
Oppenheimer Europe Ltd., Londra	X				
PKB Privatbank AG, Lugano	X				
Raiffeisen Schweiz, St. Gallen	X				
Raymond James Financial International Ltd., Londra		X		X	
RBC Capital Markets (Europe) GmbH, Francoforte	X				
Reuss Private AG, Bremgarten	X				
Robert W. Baird & Co., Milwaukee					X
Scotia Capital (USA) Inc., New York					X
Sectram Partners SA, Lugano	X			X	X
Six Swiss Exchange AG, Zurigo	X	X	X	X	X

Broker	Bonds	Shares	NAV Funds	ETF	Other
Skandinaviska Enskilda Bank Oslo branch, Oslo	X				
SMBC Nikko Capital Markets, Londra	X				
Societe Generale, Parigi	X			X	X
Stifel Europe Bank AG, Francoforte		X			
Stifel Nicolaus Europe Ltd., Londra	X				
Sumridge Partners Llc., Jersey City	X				
Svenska Handelsbanken, Stoccolma	X				
Swedbank AB, Stoccolma	X				
The Toronto Dominion Bank, Londra	X				X
Tradition London Clearing Ltd., Londra	X				X
UBS AG, Londra	X				X
UBS Switzerland AG, Zurigo	X	X	X	X	X
Unicredit Bank AG, Monaco di Baviera	X				
Valeur Securities SA, Pfäffikon	X				
W H Ireland Ltd., Londra	X				
Wells Fargo Securities International, London	X				
Westpac Banking Corporation, Sydney	X				
Wood & Company Financial Services a.s. Milan branch, Milano	X				
Zürcher Kantonalbank, Zurigo	X			X	X