

# *Best execution policy*

## *1. Purpose*

This document describes the measures taken by Banque Bonhôte & Cie SA (“the Bank”) to ensure the best possible results when executing orders to buy and sell financial instruments and/or when receiving and transmitting trading orders directly or through intermediaries on behalf of its clients, taking into account costs, speed and quality.

## *2. Scope*

The Best Execution Policy (“the Policy”) applies to all clients who have signed a discretionary or advisory mandate with the Bank, as well as those for whom the Bank provides execution only services (confined to executing or transmitting client orders).

## *3. Asset classes*

The Policy applies to the execution of client orders to buy or sell the following financial instruments, or the following transactions:

- exchange-traded shares and similar instruments (exchange traded funds (ETFs), profit-participation certificates, etc.)
- exchange-traded derivatives
- structured products
- unlisted shares
- OTC derivatives (over-the-counter products traded directly with the issuer)
- foreign exchange
- precious metals
- investment funds

## *4. Execution factors and criteria*

When the Bank receives and executes client orders for the asset classes listed in section 3, it takes into account the following factors to enable it to deliver the best possible result to its clients:

- price of the transaction or financial instrument
- order execution costs (brokerage, processing fees, etc.)
- speed of execution
- likelihood of execution
- likelihood of settlement
- liquidity
- any other factors relevant to the execution of the transaction.

In seeking to fulfil its best execution obligation, the Bank generally prioritises price and cost factors over other execution factors. Depending on the circumstances and asset class, the Bank may determine that other execution factors take priority over price and costs (e.g. for illiquid securities transactions, the likelihood and/or speed of execution).

The Bank also takes into account the following criteria when determining the relative importance or priority of execution factors:



- market conditions
- characteristics of the client (e.g. regulatory categorisation of the client)
- characteristics of the client order (e.g. nature, complexity and size of the order)
- characteristics of the execution venue
- characteristics of the financial instrument
- any other criteria relevant to the execution of the client order.

## 5. *Execution venues*

When executing orders on behalf of its clients, the Bank selects one or more execution venues with a view to obtaining the best possible result for the client order. Client orders may therefore be executed on several venues, such as:

- regulated markets (stock exchanges and other regulated markets)
- multilateral trading facilities (MTF)
- dark pools
- market makers
- over-the-counter (OTC)
- organised trading facilities (OTF)
- the financial intermediary's internal liquidity sources, including systematic internalisers

The execution venue is determined by the type of financial instrument according to the factors and criteria set out in section 5. Please refer to the Annex for a list of available execution venues by type of financial instrument ("List of Execution Venues").

The Bank reserves the right to select, add, or remove other execution venues than those in the List of Execution Venues, as it deems appropriate, in order to achieve the best possible result for clients.

## 6. *Processing client orders*

The Bank executes client orders in an expeditious and fair manner, acting in their best interests and in compliance with applicable laws and regulations.

It may process client orders either by placing them directly on one of the venues mentioned in section 5 (execution service), or by transmitting them to another counterparty and/or a broker in accordance with section 9 (transmission service).

It prioritises client orders over its own and ensures that clients are treated equally. It executes similar orders in the chronological order in which they are received, unless the nature of the orders or market conditions do not allow it, or it is not in the interest of the clients to do so.

If a client places a limit order which the Bank is not able to execute immediately, the order remains valid until the agreed expiry date. Where no expiry date is given, the order will only be valid for the business day of the market in question.

In the case of off-exchange traded, unlisted, or OTC financial instruments, a request for a quote is generally sent to several, but at least two, Bank counterparties. However, it may not always be possible or practical to compare prices. This may be the case in the light of the specific structure of certain transactions or when transactions can only be executed on a single execution venue.

## 7. *Order aggregation*

The Bank may aggregate client orders in the form of block trades (or grouped trades), provided that this method of execution is appropriate in view of the orders of the client(s) concerned, it complies with the principles set out in this Policy, it does not disadvantage any of those clients, and it does not affect the allocation process.



## 8. *Specific client instructions*

Where the Bank receives specific instructions from a client, it executes the order in accordance with such instructions so far as is reasonably possible and subject to its legal and regulatory obligations.

However, specific instructions may prevent the Bank from taking the steps established in its Policy to obtain the best possible result in respect of the elements covered by the instructions. The specific instructions take precedence over the best execution obligation in relation to the part or aspect of the order to which the instructions relate. The principles set out in this Policy will continue to apply to any remaining aspects of the order not covered by the specific client instruction.

## 9. *Order transmission*

Depending on the type of order, the market, or access to trading venues, the Bank may arrange for one or more other financial firms or entities (counterparties and/or brokers) to assist in the execution of client transactions and will transmit orders to them for execution. In that case, the transaction will be executed in accordance with that intermediary's own best execution policy. The Bank applies due diligence in the selection of counterparties and brokers with which it works and regularly, but at least once a year, monitors the list of counterparties and brokers and the quality of execution.

## 10. *Alternative order handling*

Where markets are affected by exceptional conditions or circumstances, such as a partial or total interruption in trading, the Bank may choose an alternative method of execution, taking into account the interests of its clients.

## 11. *Review of best execution policy*

The Bank regularly reviews the execution principles (including the Policy annex) at least once a year.

The latest version of the Best Execution Policy is available on the Bank's website: [www.bonhote.ch](http://www.bonhote.ch).



## Annex - List of Execution Venues

### Shares and similar instruments

<i>Region</i>	<i>Country</i>	<i>Name</i>
<i>Europe</i>	Austria	Vienna Stock Exchange
	Belgium	NYSE Euronext Brussels
	Denmark	NASDAQ OMX Copenhagen
	Finland	NASDAQ OMX Helsinki
	France	NYSE Euronext Paris
	Germany	XETRA
	Great Britain	London Stock Exchange
	Greece	Athens Stock Exchange
	Ireland	Irish Stock Exchange
	Italy	Borsa Italiana
	Norway	Oslo Børs ASA
	Portugal	NYSE Euronext Lisbon
	Spain	Bolsa de Madrid
	Sweden	NASDAQ OMX Stockholm
	Switzerland	SIX Stock Exchange
<i>Eastern Europe</i>	Poland	Warsaw Stock Exchange
	Russia	Moscow Exchange
<i>North America</i>	Canada	TSX Toronto Stock Exchange
	USA	New York Stock Exchange
<i>South America</i>	Brazil	BM&F Bovespa
	Mexico	Bolsa Mexicana de Valores



<i>Region</i>	<i>Country</i>	<i>Name</i>
<i>Asia-Pacific</i>	Australia	Australian Securities Exchange
	Hong Kong	Hong Kong Stock Exchange
	Japan	Tokyo Stock Exchange
	New Zealand	New Zealand Exchange
	Singapore	Singapore Exchange
<i>Africa and Middle East</i>	South Africa	Johannesbourg Stock Exchange

## *Bonds*

### *Exchange*

Switzerland	SIX Swiss Exchange
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### *Multilateral Trading Facilities (MTF), Alternative Trading Systems (ATS) and similar venues*

US-Europe	Bloomberg Global Market (BGM)
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## *Listed structured products*

<i>Region</i>	<i>Country</i>	<i>Name</i>
<i>Europe</i>	Germany	European Warrant Exchange (EUWAX)
	Switzerland	SIX Swiss Exchange – Structured Products
<i>North America</i>	Canada	Montreal Exchange
	USA	Intercontinental Exchange (ICE)
	USA	Chicago Board Options Exchange (CBOE)

It is not possible to provide an exhaustive list of trading venues but the Bank considers the above as recognised and appropriate references through which to obtain the best possible execution.