

## Raymond James UK ("RJUK")

### ORDER EXECUTION POLICY

#### INTRODUCTION

As required by the Markets in Financial Instruments Directive II 2014/65/EU ('**MiFID II**'), this Order Execution policy sets out the arrangements and terms set out by RJFI for complying with the obligation to take all sufficient steps to obtain the best possible result, when executing client orders.

This policy should be read in conjunction with the Raymond James UK's standard Terms of Business. Raymond James Financial International Limited ('**RJFI**'), company number 03127076 registered in England with a principal place of business at Broadwalk House, 5 Appold Street, London, EC2A 2AG. RJFI is authorised and regulated by the UK Financial Conduct Authority ('**FCA**') to conduct investment business. This policy also covers the following affiliated entities:

- Raymond James Deutschland GmbH & Co. KG ('**Raymond James Deutschland**') with a principal place of business in Germany at Moerser Str. 100, 40667 Meerbusch. Raymond James Deutschland has been approved as a tied agent to RJFI to conduct investment business.
- Raymond James Benelux SA ('**Raymond James Belgium**') with a principal place of business in Belgium at Avenue Emile Duray 38, B – 1050 Brussels. Raymond James Belgium has been approved as a tied agent to RJFI to conduct investment business.
- Raymond James CEE Sp z o.o. ('**Raymond James Poland**') with a principal place of business in Poland ul. Wspólna 62, 00-684 Warszawa, Poland. Raymond James Poland has been approved as a tied agent to RJFI to conduct investment business.
- Eqqitay AG ('**Raymond James Vaduz**') with a principal place of business in Liechtenstein at Bildgass 42, 9494 Schaan. Raymond James Vaduz has been approved as a tied agent to RJFI to conduct investment business.

#### SCOPE

The best execution obligation applies to professional clients and retail clients only. RJUK only deals with professional clients and therefore does not receive any order for or on behalf of retail clients. This policy applies to orders of professional clients accepted by RJUK to buy or sell equity securities, debt securities, derivatives and exchange traded options. RJUK will take all sufficient steps to achieve the best overall trading result for its clients when executing their orders.

RJUK 'receives and transmits' client orders, this includes transmitting orders to an affiliate or a third-party broker for execution. Accordingly, when RJUK arranges transactions it will instruct an affiliate or third party to execute the transaction and therefore RJUK will not generally execute transactions itself (although it will be involved in ensuring the trade is executed in accordance with your instructions).

When executing a client order through an affiliate or third-party broker, RJUK will take all sufficient steps to obtain, on a consistent basis, the best possible execution result for the client by either (a) satisfying itself that the affiliate or third-party broker has appropriate arrangements in place to enable RJUK to comply with its best execution obligations to its client, or (b) determining the ultimate execution venue based upon the order execution policy described above and providing specific instructions to the affiliate or third-party broker executing the order.

While **execution price** will normally be considered the most important factor in obtaining the best overall result for a client, the diverse and dynamic nature of markets for different financial instruments may require RJUK to appropriately determine that other factors listed below are more important than price in obtaining the best

overall result for a client with respect to any particular order executed on behalf of a client. For example, in some markets price volatility may mean that timeliness of execution is a priority, whereas in an illiquid market the fact of execution may itself constitute best result.

In **exceptional circumstances**, where volumes and/or volatility are at an extreme, market operator system constraints may require automated trading solutions to be turned off and/or electronic routing facilities to be suspended in favour of manual execution. Such events lead to execution delays and increased volatility. Clients should be aware that in such circumstances:

- An order may be executed at a substantially different price from the quoted bid or offer, or the last reported trade price at the time of order entry, or an order may only be partially executed or may be executed in several shapes at different prices; and
- Opening prices may differ significantly from the previous day's close.

When selecting an **affiliate or third-party broker** to execute RJUK will take all sufficient measures to ensure that the affiliate or third-party broker obtains the best possible trading result for its clients, subject to the Execution Factors. Such measures will include:

- Real time monitoring of trade execution quality by sales-traders at RJUK;
- Ex-post monitoring of execution monitoring utilising:
  - third party data analytics providers;
  - front office review; and
  - review of MiFID II mandated execution disclosures (for example RTS 27 and RTS 28 disclosures).

#### US Securities

In meeting its obligation to obtain, on a consistent basis, the best possible result for a client, RJUK transmit orders in relation to US securities to its US affiliate, Raymond James Financial, Inc. ("RJ US"), for execution.

RJUK will rely on RJ US to determine the execution venue. RJ US complies with local (US) requirements in respect of best execution (and is not itself subject to MiFID) however RJUK will obtain information from RJ US in order it can determine RJ US is subject to rules which result in an equivalent outcome to MiFID best execution obligations.

#### European Securities

When executing client orders in relation to European securities RJUK will generally pass such orders to an affiliate (Raymond James Euro Equities – which is a MiFID investment firm regulated in France). Other third party brokers or venue may be used where we consider it appropriate and details of such are listed in Appendix I. The selected third-party brokers will be reviewed at least once a year, and from time to time RJFI may arrange execution of orders with third-party brokers that are not included in it where we deem it appropriate in accordance with this policy. An updated version of this list is available on the RJFI website. . Our approach is due to the cost efficiencies we consider this brings and which are reviewed and we believe it would not be cost effective to become a member of all be liquidity pools without assessing their capacity to provide a significant improvement in terms of liquidity and prices; hence our selective approach. In selecting affiliates we will ensure that the end broker has access to on one or more of the following types of execution venues:

- Regulated markets;
- MTFs or OTFs;
- SIs (itself or third parties);
- Internal sources of liquidity (matching client orders);
- Proprietary trading desks of its affiliates dealing as principal or acting as a liquidity provider;
- Third party investment firms and brokers acting as market makers; and
- Other liquidity providers within and outside the European Economic Association.

Execution venues other than regulated markets, MTFs, OTFs and SIs may be used only in those instances where the client has provided its prior consent (also applicable to US securities).

This approach will be based on an analysis of significant historical data with a view to evaluating the following criteria:

Core Factors			Discriminating factors	
Liquidity	Probability of Execution	Credit risk as regards the clearing process attached to the Venue	Operational risk in terms of	
			System availability	Speed of Execution

## EXECUTION FACTORS

RJUK will take all sufficient steps to obtain, on a consistent basis, the best possible result for the client by taking into consideration the following factors:

- Price;
- Cost and speed of execution;
- Trading characteristics of the financial instrument subject to the order;
- Likelihood of execution and settlement;
- Order size;
- Nature of order
- Opportunity for price improvement; and
- Any other considerations deemed relevant by RJUK.

RJUK will exercise its own discretion to determine the relative importance of the above factors to an order, including taking into consideration the characteristics of the:

- Classification of the client;
- Client's order;
- Financial instrument that is the subject of the order; and
- Execution venues to which the order can be directed;

The relative important of these factors will differ depending on each order. For example, RJUK's ability to work an order to deliver the results requested by the client, means this engagement may be more important than the underlying execution venue to which the order can be directed.

## EXEMPTIONS FROM THE OBLIGATION OF BEST EXECUTION

Notwithstanding the intentions expressed above, RJUK is not obliged to provide best execution under the following circumstances:

### Eligible Counterparties

If you are classified as an eligible counterparty, and in accordance with Regulatory Rules, RJUK will have no duty of best execution to you.

### Market Practices

RJUK will owe best execution obligations where a client "legitimately relies" on RJUK to protect its interest. There are certain market practices which indicates that a client is not relying on RJUK in this way. For example, in the wholesale OTC derivatives and bond markets (and for the avoidance of doubt this would include derivatives in equities, energy and commodities as recognised by the European Commission) it is normal market practice for buyers and sellers to 'shop around' by approaching several dealers for a quote. In these circumstances it is unlikely that the client is relying on RJUK to protect its interest when it requests or takes a

price (an RFQ). However, such market practices are indications only, and each transaction will need to be assessed individually.

#### Arranged Transactions

Firms such as RJUK when acting in a name passing capacity are receivers and transmitters of orders but in carrying out their activities they do not receive and transmit orders for execution. Where orders are not transmitted for execution, the requirement to provide best execution will not apply.

We shall not owe you best execution in circumstances where we solely arrange transactions. This includes an off-order book transaction in the capacity of an Executing Broker (as defined under the International Uniform Give-Up Agreement) between two or more parties which is then subsequently crossed on a regulated market, MTF or other such venue.

#### Specific Client Instructions

When you provide RJUK with specific instructions with respect to an order or any particular aspect of your order, including an instruction for your trade to be executed on a specific venue, RJUK will execute the order or receive and transmit the order in accordance with your specific instructions.

However, this means that your instructions may prevent RJUK from taking the steps that it has designed and implemented in this Order Execution Policy to obtain the best possible results, and in following your instructions, RJUK will be deemed to have taken all sufficient steps to provide the best possible result for you in respect of your order.

When a client's specific instructions only relate to part of an order, RJUK will continue to apply its order execution policy to those portions of the order not covered by specific instructions.

#### **MONITORING AND REVIEW**

RJUK will monitor the effectiveness of its order execution policy and arrangements in order to, identify and, where appropriate, incorporate any amendments to procedures. RJUK will assess, on a regular basis, whether its affiliates or third-party brokers included in the order execution policy provide for the best possible result for its clients or whether RJUK needs to make changes to its execution arrangements. RJUK will review its order execution policy and arrangements at least annually or whenever a material change occurs that affects its ability to continue to obtain the best possible result for the execution of client orders on a consistent basis using the venues included in its order execution policy. Any required changes to this policy will be carried out in accordance with the Variation section of the RJUK Terms of Business.

#### **COMPLIANCE WITH REGULATORY OR LEGAL RESTRICTIONS ON SHORT-SELLING OF FINANCIAL INSTRUMENTS**

RJUK has implemented policies to ensure it complies with Regulatory Rules as regards the provision of services. However, due to the nature of its service, it may need to rely on its client's representations to ensure that any orders passed to RJUK for execution will not be in breach of any short selling restrictions. RJUK cannot accept any responsibility for the failure of its clients or connected parties to comply with any legal or regulatory restrictions relating to the short selling of any financial instruments. Where such restrictions on short selling of financial instruments are in place, clients are deemed to represent at the time of each relevant sell order that:

- the sale of that instrument is not a prohibited short sale; and
- the sale of any security is a covered sale for which it has the relevant security available for delivery on trade date.

#### **CONSENT**

RJUK is required to obtain its professional client's prior consent to this order execution policy. You will be deemed to provide such consent when you first submit an order to RJUK.

## **REGULATORY RULES**

RJUK's best execution obligation extends only to the steps that RJUK are required to take under Regulatory Rules to comply with this. You remain responsible for your own investment decisions and RJUK will not be responsible for any market trading loss you suffer as a result of those decisions.

## **REPORTING**

RJUK will publish the top five execution venues in term of trading volumes where client orders have been transmitted to in the preceding year and information regarding the quality of execution, in accordance with MiFID RTS 28. This will be published at <https://www.raymondjames.com/corporations-and-institutions-locations/euro-capital-markets/european-legal-disclosures>.