

# Credit Suisse Asset Management Limited – April 2023 Order Execution Policy



# Table of contents

---

<b>1. Purpose</b>	<b>3</b>
<b>2. Introduction</b>	<b>3</b>
<b>3. CSAML Overview</b>	<b>3</b>
<b>4. CSAML's Core Best Execution Obligations</b>	<b>4</b>
<b>5. Placing Orders with Brokers</b>	<b>4</b>
5.1 Direct Execution of Decisions to Deal	4
5.2 Choosing Between Order Placement and Direct Execution	5
<b>6. Instrument Type Considerations</b>	<b>5</b>
6.1 Equities	5
6.2 Bonds and Loans	6
6.3 OTC Derivatives	6
6.4 Exchange-Traded Derivatives	6
6.5 FX Forwards, Perfect Asset Swaps and Interest Rate Derivatives	7
<b>7. General Factors regarding orders that are “worked in the market”</b>	<b>7</b>
<b>8. Client Order Handling and Allocations</b>	<b>7</b>
<b>9. Client notification/consent requirements</b>	<b>8</b>
<b>10. Monitoring of the Policy</b>	<b>8</b>
<b>11. Reviewing the Order Execution Policy</b>	<b>8</b>
<b>12. List of Approved CSAML Brokers and/or Execution Venues</b>	<b>8</b>

# Order Execution Policy

---

## 1. Purpose

This Order Execution Policy (“Policy”) explains Credit Suisse Asset Management Limited (“CSAML”) execution and order handling policy and is drafted in accordance with the regulatory requirements set out in the Markets in Financial Instruments Directive 2014/65/EU and related secondary and implementing legislation, including without limitation the MiFID II Delegated Regulation 2017/565 (“MiFID II”), as implemented by the Financial Conduct Authority (“FCA”).

## 2. Introduction

CSAML is authorised and regulated by the FCA and is an investment firm subject to the requirements of the FCA Rules. This policy summarizes how CSAML seeks to achieve best execution for its clients and includes the following information.

- Overview of CSAML
- CSAML’s Core Best Execution Obligations
- Client notification and consent requirements
- Client Order Handling and Allocations
- Monitoring and the review of Order execution Policy
- List of Approved CSAML Brokers and/or Execution Venues

## 3. CSAML Overview

CSAML manages portfolios of investments on a discretionary basis for investment Funds and managed account clients (together, “Clients”). CSAML gives effect to decisions to deal only on behalf of professional clients (as defined in the FCA rules that implement MiFID).

There are two methods CSAML Portfolio Managers use when executing trades on behalf of its clients and the Funds it manages:

1. CSAML can place an order with a third party (e.g. a broker or an investment bank) for that third party to execute on behalf of the client. Such third parties are referred to in this policy as “Brokers”.
2. CSAML may execute the relevant transaction on behalf of the client or Fund directly with a counterparty or on an exchange or other trading system (for example, by dealing directly with a market maker on a “request for quote” basis or via a reliable screen-based quotation system or by accessing an exchange directly using a direct market access (“DMA”) system). The counterparty, exchange or trading system with whom CSAML chooses to execute such a transaction is referred to in this policy as an “Execution Venue”.

Please note, as at the date of this Policy, CSAML currently executes trades using the first method listed above.

This Policy will not apply to the extent that CSAML follows specific instructions from a client when placing an order with, or transmitting an order to, another entity for execution. It is likely to be only in rare cases that CSAML will receive such “specific instructions” from clients.

In general, CSAML (as discretionary Portfolio Manager) will make all dealing decisions itself and will therefore control the allocation of orders among brokers and investment banks which are used for execution. CSAML will not normally take instructions from clients in that respect.

All CSAML employees who are responsible for placing orders with Brokers for execution by those Brokers and/or for directly executing transactions on behalf of clients must ensure that any such activities are conducted in accordance with the requirements and guidance set out in this Policy.

## 4. CSAML's Core Best Execution Obligations

As a Portfolio Manager, CSAML is required by the FCA rules to implement MiFID and to act in accordance with the best interests of its clients when placing orders with Brokers for execution that result from decisions by CSAML to deal in financial instruments on behalf of those clients and Funds.

Furthermore, CSAML must take all sufficient steps to obtain, when executing orders, the best possible results for its clients taking into account the execution factors these being: being price; costs; speed; likelihood of execution and settlement; size; nature; or any other consideration relevant to the order. In determining the relative importance of factors considered, CSAML takes into account:

- The characteristics of the order;
- The characteristics of the financial instrument that are subject to the order;
- The characteristics of the Brokers and/or Execution Venues to which that order can be directed;

In the case of transactions that CSAML itself executes directly on behalf of its clients, the Execution Venues on or with which it executes those transactions must at least include those that enable CSAML to obtain on a consistent basis the best possible result for the execution of client and Fund orders.

## 5. Placing Orders with Brokers

In choosing the Brokers that appear in Section 10, CSAML has taken care to select those Brokers that, in CSAML's view, consistently provide a quality execution service, taking account of the relevant execution factors. All brokers and executions venues must be firm approved via the internal counterparty approval process. Where CSAML places an order with a Broker for execution by that Broker, CSAML is not responsible for controlling or influencing the arrangements made by the Broker relating to the execution of that order (e.g. CSAML does not control the Broker's choice of Execution Venues, such as exchanges, multilateral trading facilities or internal dealing facilities). CSAML is not required to duplicate the efforts of the Broker to whom an order is passed in ensuring the best possible result. CSAML's obligations are therefore to ensure that the Brokers included in this policy are the ones who will assist it to comply with its best execution obligations (by delivering the best possible result) and that orders are passed to those Brokers in accordance with the policy.

### 5.1

#### **Direct Execution of Decisions to Deal**

In choosing the Execution Venues that appear in Section 10, CSAML has taken care to select those Execution Venues that, in CSAML's view, enable it to obtain on a consistent basis the best possible results for its clients. However, one issue relevant to this selection is that, as a portfolio manager, CSAML is not itself, a member of any regulated markets. CSAML may, but does not typically use certain direct market access facilities (e.g. trading systems provided by its Brokers that allow it to transact in the Broker's name) directly on a regulated market) to effect the execution of trades on behalf of its clients.

CSAML is not a member of any multilateral trading facilities and is not an organised trading facility however trades are executed via brokers on Bloomberg. Therefore, the list of Execution Venues in Section 10 currently contains only details of the market makers and other liquidity providers with whom CSAML currently directly executes transactions. As part of its review obligations, CSAML intends to keep the position as regards direct market access facilities and membership of multilateral trading facilities under review.

## 5.2

### **Choosing Between Order Placement and Direct Execution**

CSAML will normally place orders with a broker once CSAML has made a decision to deal in a financial instrument on behalf of a client. However, CSAML may decide to attempt to execute the transaction directly based on typically selecting from a reliable screen-based quotation system. This decision will be made having regard to the relative importance of the execution factors for the Instrument Class in question.

CSAML employees must not execute client or fund trades with an Execution Venue or with a Broker that has not been approved for use by CSAML except in exceptional circumstances. Exceptional circumstances might include where CSAML wishes to trade in an unusual financial instrument that cannot be executed with or by one of the Execution Venues or Brokers already approved (either at all or in a manner that would be likely to achieve the best possible result for the client). Any execution of a transaction with an Execution Venue or placing of an order with a Broker that falls outside the approved Execution Venues and Brokers for CSAML must be pre-approved by Risk Management and Compliance.

## 6. Instrument Type Considerations

### 6.1

#### **Equities**

This Instrument Class includes equities, warrants and depositary receipts. The vast majority of equities transactions would be executed by passing an order to a relevant Broker.

For smaller orders, the portfolio manager will on many occasions consider that price is the most important execution factor. Other execution factors are permitted to be taken into account at the discretion of the relevant portfolio manager as is appropriate for the size and nature of the relevant order (and one or more of these other factors may displace price as the most important factor). The portfolio manager is not required to make a record of the execution factors that were taken into account in respect of each individual transaction (although may, of course, choose to do so).

Where the order is to be passed to a Broker for execution, the portfolio manager will select a Broker from those that have been approved and in addition chose a Broker that in their view has a track record of achieving the best result in terms of the relevant execution factors (taking into account the various Brokers' geographic and product coverage). As an additional safety measure, CSAML may make use of limit orders where appropriate to ensure that its orders are executed at desirable prices.

Where the order is to be executed directly with an Execution Venue, generally the practice should be for the Portfolio Manager to check prices quoted by/available on at least three of the approved Execution Venues. However, in circumstances where the portfolio manager considers that speed of execution, certainty of execution and/or market impact are important execution factors (for example if there is only one counterparty available to trade the security or if the position to be traded is large), the Portfolio Manager is permitted to deal on the basis of the prices quoted by/available on a single Execution Venue.

For larger orders, the portfolio manager will often consider that certainty of execution, reduction of market impact and speed of execution will have greater importance and these factors will often drive the portfolio manager's decisions as to whether to pass the order to a Broker or to execute directly with an Execution Venue. Often, to ensure quick executions and minimum market impact such orders may be split among multiple brokers.

## 6.2

### **Bonds and Loans**

Fixed Income: where an order is not placed via a third-party broker and where a reliable screen-based quotation system does not exist, generally the practice should be to obtain at least three quotes where possible, where practicable, and to record the quotes on the trade ticket or in the relevant trading system. If the quote with the best price is not selected, an explanation should be provided (e.g. smaller quantity than quoted). A price taken from a computerised information service such as Reuters or Bloomberg is an acceptable form of quote provided the page used is kept up to date with market movements, market size, or relative pricing in the case of more illiquid instruments. However, not all trades executed by Credit Suisse are in assets that are actively traded, or where independent price testing is not readily available. It is the responsibility of the portfolio manager to choose counterparties (e.g. brokers and dealers), therefore, based upon factors such as competitive pricing, transaction costs, prompt and reliable executions, financial stability, reputation, and how the counterparty's inventory of assets aligns with the portfolio's investment thesis.

In relation to transactions in bonds or loans, the Portfolio Manager will on many occasions consider that price (including costs) is the most important factor. Other execution factors are permitted to be considered at the discretion of the relevant Portfolio Manager as is appropriate for the size and nature of the relevant order. The Portfolio Manager is not required to make a record of the execution factors that were taken into account in respect of each individual transaction (although may, of course, choose to do so).

In circumstances where speed of execution, certainty of execution and/or market impact are important execution factors, the Portfolio Manager is permitted to deal based on the prices quoted by/available on a single Execution Venue.

In certain circumstances, transactions may be initiated by the Execution Venue (e.g. by a dealer) rather than by CSAML. In these circumstances, particularly where speed of execution, certainty of execution or market impact are perceived to be important execution factors, it will not always be desirable to check the available price against alternative sources and the Portfolio Manager is permitted to deal with the Execution Venue that has approached it.

## 6.3

### **OTC Derivatives**

For transactions in OTC derivatives, the Portfolio Manager will on many occasions consider that price (including costs) is the most important factor. Other execution factors can be considered at the discretion of the relevant Portfolio Manager as is appropriate for the size and nature of the relevant order.

In circumstances where speed of execution, certainty of execution and/or market impact are important execution factors, the Portfolio Manager is permitted to deal based on the prices quoted by/available on a single Execution Venue.

In certain circumstances, transactions may be initiated by the Execution Venue rather than by CSAML. In these circumstances, particularly where speed of execution, certainty of execution or market impact are perceived to be important execution factors, it will not always be desirable to check the available price against alternative sources and the Portfolio Manager is permitted to deal with the Execution Venue that has approached it.

The best execution obligations apply to all financial instruments, irrespective of whether they are traded on trading venues or OTC, CSAML is required, where possible, to gather relevant market data in order to check whether the OTC price offered is fair and delivers on the best execution obligation. Express consent is required to execute orders outside a trading venue.

## 6.4

### **Exchange-Traded Derivatives**

This Instrument Class covers exchange-traded futures and options contracts and exchange traded contracts for differences.

CSAML invests in exchange-traded derivative instruments to hedge against market risk or to gain exposure to an underlying asset.

The vast majority of exchange-traded derivatives transactions will be affected by passing an order to a relevant Broker.

The Portfolio Manager will on many occasions consider that price is the most important execution factor. Other execution factors are permitted to be considered at the discretion of the relevant Portfolio Manager as is appropriate for the size and nature of the relevant order (and one or more of these other factors may displace price as the most important factor). The Portfolio Manager is not required to make a record of the execution factors that were considered in respect of each individual transaction (although may, of course, choose to do so).

Where the order is to be passed to a Broker for execution, the Portfolio Manager will select a Broker from those that have been approved, that in Portfolio Manager's view has a track record of achieving the best result in terms of the relevant execution factors (considering the various Brokers' relevant exchange memberships, geographic and product coverage). As an additional safety measure, CSAML may make use of limit orders to ensure that its orders are executed at desirable prices.

Where the order is to be executed directly with an Execution Venue, generally the practice should be for the Portfolio Manager to check prices quoted by/available on at least three of the approved Execution Venues. However, in circumstances where the Portfolio Manager considers that speed of execution, certainty of execution and/or market impact are important execution factors, the Portfolio Manager is permitted to deal based on the prices quoted by/available on a single Execution Venue.

## 6.5

### **FX Forwards, Perfect Asset Swaps and Interest Rate Derivatives**

For transactions in FX Forwards, Perfect Asset Swaps and interest rate derivatives, the Portfolio Manager maybe constrained to trading with certain counterparties, for example where an ISDA agreement is in place.

## 7. General Factors regarding orders that are “worked in the market”

Where the client or Fund orders are executed directly with an Execution Venue, the Portfolio Manager will often check prices quoted by/available on at least three Execution Venues. However, in circumstances where the Portfolio Manager considers that speed of execution, certainty of execution and/or market impact are important execution factors, the Portfolio Manager/Trader is permitted to deal on the basis of the prices quoted by/available on a single Execution Venue.

For larger orders, the Portfolio Manager will often consider that certainty of execution, reduction of market impact and speed of execution will have greater importance and these factors will often drive the Portfolio Manager's decisions as to whether to pass the order to a Broker or to execute directly with an Execution Venue. Often, to ensure quick executions and minimum market impact such orders may be split among multiple brokers.

## 8. Client Order Handling and Allocations

From time to time, CSAML will aggregate several client orders buying or selling the same security together for execution either via a Broker or directly with the Execution Venue. Once these client orders have been executed, the Portfolio Manager will allocate orders across the clients who participated in the order. In these cases, such orders and executions will be treated as follows:

- Allocation of order fills between several clients will be prompt, fair and consistent. In most cases, depending on trading processes, allocations will have been made at pre-execution. Only failure to achieve execution of the full order will necessitate re-allocation, generally on a pro-rata basis. If pro-rata allocation is not possible then final allocation will be recorded with reference to Compliance/Business Head; and
- Aggregation of orders may, on occasion, work to clients' disadvantage. The Portfolio Manager will only aggregate orders if it reasonably believes that doing so would be of benefit to all clients.

## 9. Client notification/consent requirements

CSAML has an obligation to provide its portfolio management clients with appropriate information on this Policy. In order to comply with this obligation, CSAML will make available its Policy to its portfolio management clients at any time when an Investment Management Agreement (IMA) is signed, upon request, when material changes occur and via publication on the asset management website.

Should CSAML provide “execution only” on behalf of a portfolio management client, it will also have an obligation to obtain the client’s consent to this Policy. CSAML has evidenced this consent by amending its IMA with those clients to include the summary of this Policy within the agreements and an express provision pursuant to which the client consents to this Policy. Additionally, to the extent that CSAML effects direct executions of transactions on behalf of clients in instruments that are admitted to trading on a regulated market or multilateral trading facility but executes those transactions outside of a regulated market or regulated multilateral trading facility, it needs to obtain its clients’ consent. CSAML has evidenced this consent by amending the IMA with clients to include a provision pursuant to which the clients give this consent. All trades are executed via Systematic Internalisers where feasible.

To the extent that CSAML makes any material changes to this Policy (whether pursuant to the review process or otherwise), it is obliged to notify the changes to its clients and via the asset management website. CSAML Compliance will ensure that such notifications are made.

## 10. Monitoring of the Policy

CSAML has an obligation to monitor the effectiveness of its order execution arrangements and this Policy. CSAML is required to verify that the execution arrangements are effective and work well through the order execution process and to take remedial actions if any deficiencies are detected so that it can demonstrate that all sufficient steps have been taken to achieve the best possible results.

## 11. Reviewing the Order Execution Policy

At least annually, CSAML will review this Policy and the order execution arrangements that are in place. The review will focus on whether CSAML would obtain better results for its clients if it was to:

- Include additional or different Execution Venues or Brokers (for the relevant Instrument Class);
- Assign a different relative importance to the execution factors (for the relevant Instrument Class); or
- Modify any other aspects of this Policy and/or its execution arrangements.

CSAML will also review this Policy and/or its execution arrangements whenever a material change occurs that could affect its ability to obtain the best possible result for the execution of its clients’ orders. A determination of materiality will depend on the nature and scope of any change.

## 12. List of Approved CSAML Brokers and/or Execution Venues

Below is a list of the execution venues on which CSAML places significant reliance in meeting its obligation to take all sufficient steps to obtain on a consistent basis the best possible result for the execution of orders.



Aurel BGC Paris  
Banco Bilbao Vizcaya Argentaria SA – BBVA  
Banco Santander, S.A  
Bank of America Europe DAC  
Bank of America N.A.,(London Branch)  
Bank of America, N.A. Charlotte  
Bank of Montreal, Toronto  
Banque Nomura France SA  
Barclays Bank (London) plc  
Barclays Bank (New York) plc  
Berenberg – Joh. Berenberg, Gossler & Co Hamburg Branch  
BNP Paribas (London Branch)  
BNP Paribas (NY Branch)  
BNP Paribas Fortis NA  
BNP Paribas SA (Paris Branch)  
BTIG LTD  
CA Indosuez Wealth (Europe)  
Canaccord Genuity Limited  
Cantor Fitzgerald Europe  
Cantor Fitzgerald Securities  
Carnegie AS  
Citibank Europe PLC (Dublin branch)  
Citibank Europe plc, UK Branch  
Citibank N.A., Jersey Branch  
Citibank N.A., London Branch  
Citibank N.A., New York  
Citigroup Financial Products Inc  
Citigroup Global Markets Inc  
Citigroup Global Markets Limited  
Commerzbank AG London Branch  
Cooperatieve Rabobank U.A. (London Branch)  
Cowen & Co LLC  
Cowen Special Investments LLC  
Credit Agricole Corporate and Investment Bank (Paris)  
Credit Agricole Corporate and Investment Bank, London  
Credit Suisse (Deutschland) Aktiengesellschaft  
Credit Suisse AG, Cayman Islands Branch  
Credit Suisse AG, London Branch  
Credit Suisse International  
Credit Suisse Loan Funding LLC.  
Credit Suisse Securities (USA) LLC  
Danske Bank A/S (Copenhagen)  
Deutsche Bank AG New York Branch  
Deutsche Bank AG, Frankfurt  
Deutsche Bank AG, London Branch

Donner and Rueschel AG  
Ever Capital Investments S.V, SAU  
Flow Traders B.V (London Branch)  
Goldman Sachs Bank Europe SE  
Goldman Sachs Bank USA  
Goldman Sachs International  
Goldman Sachs International Bank  
Goldman Sachs Lending Partners LLC  
Greensledge Capital Markets LLC  
HSBC Bank plc  
HSBC Trinkaus & Burkhardt AG  
Imperial Capital ( International) LLP  
ING Bank NV, London Branch  
ING Bank NV, Netherlands  
Jane Street Financial Limited  
J.P. Morgan Europe Limited  
J.P. Morgan Securities plc  
Jefferies Finance LLC  
Jefferies Finance Europe, SCSp  
Jefferies International Limited  
Jefferies Leveraged Credit Products, LLC  
JP Morgan SE  
JPMorgan Chase Bank N.A. New York Branch  
JPMorgan Chase Bank, N.A.  
JPMorgan Chase Bank, N.A., London Branch  
Jyske Bank AS  
Lloyds Bank Corporate Markets PLC  
Lloyds Bank Plc  
Macquarie Bank Limited  
Macquarie Capital Funding LLC  
Macquarie Corporate Holdings PTY Limited (UK Branch)  
Macquarie US Trading LLC  
Merrill Lynch International  
Merrill Lynch International Bank Limited,  
Mizuho Bank Europe N.V  
Mizuho Bank Ltd.  
Mizuho International PLC  
Mizuho Securities Europe GmbH  
Morgan Stanley & Co. LLC  
Morgan Stanley and Co International PLC  
Morgan Stanley Bank AG  
Morgan Stanley Bank International Limited.  
Morgan Stanley Bank N.A.  
Morgan Stanley Europe SE  
Morgan Stanley Senior Funding, Inc

Natixis (London Branch)  
Natixis (New York Branch)  
Natixis SA  
Natwest markets N.V  
NatWest Markets PLC  
Natwest Markets Securities INC  
Nomura Bank International plc  
Nomura Corporate Funding Americas, LLC  
Nomura Financial Products Europe GmbH  
Nomura International plc  
Nordea Bank AB (publ)  
Nordea Bank ABP (Finland)  
Octo Finances SA  
Oddo BHF SCA  
PNC Bank, National Association  
RBC Europe Limited  
Royal Bank of Canada  
Royal Bank of Canada, Paris Branch.  
Santander Consumer Bank AG  
SC Lowry Primary Investment Company  
SC Lowry P.I. (Lux) S.à r.l.  
Seaport Group Europe LLP  
Seaport Group Securities LLC  
Skandinaviska Enskilda Banken AB\*  
Societe Generale  
Société Générale Financing and Distribution SA  
Stifel Nicolaus Europe Limited  
StoneX Financial Inc  
Sumitomo Mitsui Banking Corporation Europe Limited  
Swedbank AB  
The Bank of New York Mellon SA/NV  
The Bank of Nova Scotia  
Toronto-Dominion Bank  
TP ICAP (Europe) SA  
UBS AG, London Branch  
UBS AG. Stamford Branch  
UBS Europe SE  
Unicredit Bank AG (Germany)  
Wells Fargo Securities International Limited

CREDIT SUISSE 

CREDIT SUISSE AG  
[credit-suisse.com](https://www.credit-suisse.com)