

Credit Suisse Asset Management Limited – April 2024 Order Execution Policy



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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.

- CSAML Overview
- Best Execution Criteria
- Best Execution Factors
- Directed instructions
- Client notification and consent requirements
- Client Order Handling and Allocations
- Monitoring and the review of Order execution Policy
- List of Approved CSAML Counterparties 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 “Counterparties”.
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.

4. Best Execution Criteria

CSAML will take sufficient steps to obtain best possible results taking into account, to the extent it deems them relevant, the following criteria (“Execution Criteria”) to determine the applicable execution factors and their relative importance.

These Execution Criteria include:

- The characteristics of the portfolio;
- The characteristics of the order;
- The characteristics of the financial instruments that are the subject of that order; and
- The characteristics of the counterparty selected to execute the order

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. Best Execution Factors

The Execution Factors that CSAML should consider where relevant when executing an order on behalf of a Client include the following, but not limited to:

- Price of execution and depth of quote;
- Costs associated with execution
- Market Impact – i.e. size and nature of the order
- Speed of execution;
- Size;
- Nature of the order;
- The likelihood of execution;
- The likelihood of settlement;
- Liquidity profile;
- Any other consideration relevant to the execution of an order.

6. Placing Orders with Counterparties

In choosing the Counterparties that appear in Section 10, the following criteria should be considered, but without limitation:

- Counterparty’s ability to execute and settle the trade in a prompt, orderly and satisfactory manner;
- Counterparty’s willingness to commit capital;
- Counterparty’s confidentiality;
- Counterparty’s financial status and credit worthiness, e.g. responsibility and solvency as required by our internal credit risk framework;
- Counterparty’s execution capabilities and any related risks when trading a block of securities (e.g. anonymity);
- Counterparty’s regulatory status;
- Counterparty’s reputation;
- Counterparty’s broad market coverage and knowledge;
- Counterparty’s consistent quality of service; and
- Counterparty’s treatment of AM as a professional client.

Where CSAML places an order with a Counterparty for execution CSAML is not responsible for controlling or influencing the arrangements made by the Counterparty relating to the execution of that order (e.g. CSAML does not control the Counterparties choice of Execution Venues, such as exchanges, multilateral trading facilities or internal dealing facilities). CSAML is not required to duplicate the efforts of the Counterparty to whom an order is passed in ensuring the best possible result.

6.1 Execution Venue Selection

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.

6.2 Choosing Between Order Placement and Direct Execution

CSAML will normally place orders with a counterparty 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.

6.3 Directed Instructions

Where a client provides specific directed broker instructions, the order must be executed in accordance with those instructions, subject to compliance with local regulation. This may restrict the Portfolio Manager from taking steps designed and implemented in this policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

7. Instrument Type Considerations

7.1 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 Counterparty.

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 Counterparty for execution, the portfolio manager will select a Counterparty from those that have been approved and in addition chose a Counterparty 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 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 Counterparties or to execute directly with an Execution Venue. Often, to ensure quick executions and minimum market impact such orders may be split among multiple Counterparties.

7.2 Bonds and Loans

Fixed Income: where an order is not placed via a third-party Counterparty 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.

7.3 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.

7.4 FX Forwards, Perfect Asset Swaps and Interest Rate Derivatives

For transactions in FX Forwards, Perfect Asset Swaps and interest rate derivatives, the Portfolio Manager may be constrained to trading with certain counterparties, for example where an ISDA agreement is in place. However this is not being completed as investment rather to hedge the currency.

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 Counterparty 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.

Aggregation of orders - The Portfolio Manager will only aggregate orders if it reasonably believes that doing so would be of benefit to all clients. When aggregating orders the Portfolio Manager must maintain all principles of best execution and provide fair and equitable treatment to all clients; no single account may be systematically favored over another.

9. Client notification

CSAML must provide appropriate information to its clients on its Best Execution and Order Handling Policy in accordance with local laws and regulation. Where applicable, CSAML should notify clients of any material changes to order execution arrangements or execution policy.

10. Monitoring of the Policy

CSAML has an obligation to monitor the effectiveness of its order execution arrangements and this Policy. Monitoring and controls are in place to identify and (where appropriate) correct any deficiencies in the processes and procedures for executing orders. Part of this monitoring is a quarterly Best Execution Forum where we evidence our compliance with this policy.

11. Reviewing the Order Execution Policy

At least annually, CSAML will review this Policy and the order execution arrangements that are in place. 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 Counterparties and/or Execution Venues

The below lists include the significant counterparties and venues CSAML uses when executing or placing orders. CSAML may place or execute orders with other venues and counterparties if it considers it to be in the best interest of its clients and in adherence with the principles set in this policy.

Aurel BGC Paris
Banco Bibao 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
Barclays Bank (London) plc
Barclays Bank (New York) plc
Barclays Bank Ireland
BNP Paribas (London Branch)
BNP Paribas (NY Branch)
BNP Paribas Fortis NA
BNP Paribas SA (Paris Branch)
BTIG LTD
CA Indosuez Wealth (Europe)
Cantor Fitzgerald Europe
Cantor Fitzgerald Securities
CCS8 Unitranche Partners SPV, L.P
CCS8 Unitranche Partners, L.P
CCS8A-2 Unitranche Partners SPV, L.P
CCS8A-2 Unitranche Partners, L.P
CCS8C Unitranche Partners SPV, L.P
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
Cooperatieve Rabobank U.A. (London Branch)
Cowen & Co LLC
Cowen Special Investments LLC
Credit Agricole Corporate and Investment Bank (Paris)
Crédit Agricole Corporate and Investment Bank Deutschland, Niederlassung einer französischen Société Anonyme
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.
Danske Bank A/S (Copenhagen)
Deutsche Bank AG New York Branch
Deutsche Bank AG, Frankfurt
Deutsche Bank AG, London Branch
Donner and Rueschel AG
Elavon Financial Services D.A.C.
Ever Capital Investments S.V, SAU
Goldman Sachs Bank Europe SE
Goldman Sachs Bank USA
Goldman Sachs International
Goldman Sachs International Bank
Goldman Sachs Lending Partners LLC
HSBC Bank plc

HSBC Continental Europe
Imperial Capital (International) LLP
ING Bank NV, London Branch
ING Bank NV, Netherlands
J.P. Morgan Europe Limited
J.P. Morgan Securities plc
Jane Street Financial Limited
Jefferies Finance Europe S.L.P.
Jefferies Finance Europe, SCSp
Jefferies Finance LLC
Jefferies GMBH
Jefferies International Limited
Jefferies Leveraged Credit Products, LLC
JILC Limited
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
KKR Corporate Lending LLC
KNG Securities LLP
Macquarie Bank Limited
Macquarie Capital Funding LLC
Macquarie Corporate Holdings PTY Limited (UK Branch)
Macquarie US Trading LLC
Mermaid BidCo 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 PLC
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)
NP Europe Loan Management DAC
Octo Finances SA
Oddo BHF SCA
Pareto Securities AB
PNC Bank, National Association
RBC Europe Limited
Royal Bank of Canada
Santander Consumer Bank AG
SC Lowry Primary Investment Company
Seaport Group Europe LLP
Seaport Group Securities LLC
Skandinaviska Enskilda Banken AB*
Societe Generale
Société Générale Financing and Distribution SA
Société Générale, London Branch
Société Générale, Sucursal en España

Standard Chartered Bank
Stifel Nicolaus Europe Limited
StoneX Financial Inc
StoneX Financial Limited
The Bank of New York Mellon SA/NV
The Bank of Nova Scotia
The Bank of Nova Scotia, New York Agency
TP ICAP (Europe) SA
UBS AG, London Branch
UBS AG. Stamford Branch
UBS Europe SE
Unicredit Bank GmbH (Germany)
Wells Fargo Securities International Limited

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