

EXOR Investments LLP (“EXOR” or “the Firm”)

RTS 28 Best Execution Qualitative Information for the period ending 31 December 2019

A summary of the analysis and conclusions the firm draws from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders in the previous year

Equities - Shares & Depositary Receipts

As part of EXOR’s analysis of best execution in relation to equities, the Firm analysed a sample of trades during the relevant period to determine whether any of these trades were executed at a price greater than 300bps from the Volume Weighted Average Price (“VWAP”) provided on Bloomberg. Where any trades were found outside of the tolerance, Compliance investigated these trades to determine the cause. The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Debt Instruments (Bonds & Money Markets Instruments)

As part of the Firm’s analysis of best execution in relation to debt instruments, reviews of external market data and externally verifiable reference prices (where available) were undertaken at the point of execution when pricing or checking the price of debt instruments (including bespoke instruments). The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Currency Derivatives (Futures and Options admitted to trading on a trading venue, Swaps, Forwards, and other Currency Derivatives)

As part of the Firm’s analysis of best execution in relation to currency derivatives, reviews were undertaken of the exchange level at the time the trade was placed and/or price reviews were undertaken using the RFQ mechanism, obtaining competing quotes from counterparties to assess a spread of all quoted prices to illustrate RFQ competitiveness. The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Equity Derivatives (Futures and Options admitted to trading on a trading venue, Swaps and other Equity Derivatives)

As part of the Firm’s analysis of best execution in relation to equity derivatives, the Firm analysed a sample of trades during the relevant period to determine whether they were executed in-line with exchange-traded levels and, where relevant, examined the RFQ process to determine this was carried out in accordance with internally established protocols. The monitoring completed confirmed that best execution was achieved consistently on the approved execution venues throughout the year.

	<p>Commodities Derivatives and Emission Allowances Derivatives (Options and Futures admitted to trading on a trading venue, Other Commodities Derivatives and Emission Allowances Derivatives)</p> <p><i>As part of EXOR’s analysis of best execution in relation to commodity derivatives, the Firm analysed a sample of the trades during the relevant period to determine whether they were executed in-line with its expectation and with exchange-traded levels. The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</i></p> <p>Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities)</p> <p><i>As part of EXOR’s analysis of best execution in relation to exchange traded products, the Firm analysed a sample of trades during the relevant period to determine whether any of the trades were executed at a price outside of an internally defined tolerance to a pre-determined benchmark for the underlying. Where any trades were found to be outside of the tolerance, Compliance investigated these trades to determine the cause. The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</i></p>
<p>An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution</p>	<p><i>EXOR’s delivery of best execution is a key element in its commitment to act in the best interests of its clients, as well as being a regulatory requirement. The Firm prioritises ensuring that all sufficient steps are taken to obtain the best possible result for its clients when it executes, places or transmits orders on their behalf. This means taking into account the ‘execution factors’ such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.</i></p> <p><i>The relative importance of the execution factors is determined on an order-by-order basis in line with the Firm’s industry experience and prevailing market conditions. In addition, common key factors for relevant asset classes have been identified as follows:</i></p> <p>Equities – Shares & Depositary Receipts</p> <p><i>For small direct orders over a short period of time, the key factors are generally price, quantity based on market availability, and likelihood of execution. For larger orders executed across a period of time, the Firm additionally</i></p>

takes into account confidentiality, minimising the impact on the market, and slippage historically achieved on each venue.

Where transactions are executed indirectly, relevant factors are overall costs including broker fee schedules, impact and observed slippage.

The impact of implicit costs is taken into account when considering the execution strategy of orders to ensure that they are managed and do not result in an undue impact to total costs.

Fixed Income

Where the Firm executes orders directly (i.e. over the counter (“OTC”) transactions), key factors are price and transaction costs.

For indirect orders, costs and existing broker relationship are important considerations.

Where liquidity is limited, ability to execute assumes highest importance.

Where the Firm deals in OTC products, it takes into account external market data and externally verifiable reference prices (where available), when pricing or checking the price of OTC products (including bespoke instruments).

Derivatives

Where derivatives are executed directly, key factors considered are price, observed volume on exchange, and overall transaction costs. Prices are compared via a request for quote (“RFQ”), taking into account additional transaction costs that may be applicable. When transactions are time-sensitive, response time to RFQ is often a defining factor. On occasion, preference is given to counterparties that are operationally easier to work with where time factors are at play.

Where orders are executed indirectly, relevant factors are costs and the existing broker relationship.

For more illiquid derivatives, where execution options are available, historical price and liquidity are the key factors for execution.

<p>A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders</p>	<p><i>The Firm does not have any close links, conflicts of interests or common ownerships with respect to the execution venues it uses to execute orders.</i></p>
<p>A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p><i>The Firm has determined that it will pay for research from its Research Payment Account (“RPA”) and as such has arrangements in place to pay for the receipt of such research. Additionally, EXOR may on occasion receive or provide minor non-monetary benefits from execution venues. They must be received/provided in accordance with the Firm’s Inducements policy.</i></p> <p><i>When selecting execution venues for inclusion in the Best Execution Policy, the Firm does not take into account the fees and commissions that it will charge its clients, but focuses on the potential of the venues to enable the Firm to obtain on a consistent basis the best possible result for the execution of its client orders. However, the Firm does take into account the effect of its own fees and commission when choosing a venue for the execution of a particular client order.</i></p>
<p>An explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred</p>	<p><i>During the period under review, EXOR’s list of execution venues changed. The Firm regularly reviews the effectiveness of its Best Execution policy and its execution arrangements to identify and, where appropriate, incorporate any changes to enhance the quality of execution obtained. Following discussions with the front office and as part of this review, it was determined that a change was required to ensure that the Firm continues to obtain the best possible result for its clients. Factors considered included access to the market, price, counterparty risk and market liquidity.</i></p>
<p>An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements</p>	<p><i>While EXOR does take the characteristics of its clients into account when judging the relative importance of the execution factors, the Firm’s clients are exclusively professional clients and so are treated with a consistent approach.</i></p>

<p>An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client</p>	<p><i>The Firm does not execute retail client orders.</i></p>
<p>An explanation of how the Firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575</p>	<p><i>EXOR does not currently use data or tools relating to the quality of execution, but will revisit the need for them if we see a decline in execution quality. Where the order relates to OTC products, including bespoke products, EXOR checks the fairness of the price on offer by gathering market data used in the estimation of the price of such products and, where possible, by comparing with similar or comparable products.</i></p>
<p>Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.</p>	<p><i>This is not currently applicable as the services of a Consolidated Tape Provider were not available during the period to which this disclosure relates.</i></p>