



# Order Execution Policy

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## Most Recent Changes

<i>Date</i>	<i>Amendments</i>
August 2016	Policy adopted
December 2017	Policy updated for MiFID II requirements
April 2019	Annual review – no significant changes
March 2020	Annual review: <ul style="list-style-type: none"><li>- Large Block Trading section added</li><li>- Various minor amendments</li></ul>
May 2021	Annual Review
August 2021	Updated wording on Fixed Income where multiple quotes are not required
June 2022	Updated to include BlueBay Platform
February 2023	Format of policy updated to RBC Bluebay Asset Management template

# 1 Summary Statement

RBC BlueBay UK provides discretionary investment management services to Clients including funds and segregated institutional accounts. This Policy establishes how RBC BlueBay UK meets its obligations related to the execution of investment dealing decisions for Clients. It also governs how RBC BlueBay UK will deal with any specific Client instructions if received.

All Clients of RBC BlueBay UK will receive a copy of RBC BlueBay UK's Order Execution Disclosure Statement in good time prior to RBC BlueBay UK carrying out transactions on their behalf. RBC BlueBay UK will take into account the urgency of the situation, client's need for sufficient time to read and understand material, and the complexity of the information when determining how much time to provide a Client to review the execution policy in order to constitute "good time".

Any queries from Clients regarding this Policy should be passed to the Chief Operating Officer for consideration.

## 2 Scope

This Policy applies to all RBC BlueBay UK Employees.

## 3 Relevant Policies and Procedures

[Trading Compliance Policy](#)

## 4 Definitions

**Best Execution** – The obligation to take all sufficient steps to obtain, when executing orders or placing orders with other entities, the best possible result for Clients taking into account the Execution Factors

**BlueBay Platform** – investment accounts, systems and staff within the historic BlueBay business.

**Client** – Any person or entity RBC BlueBay UK serves as investment manager, sub-adviser or an equivalent role. Where RBC BlueBay UK is the investment adviser to a fund or collective interest, the fund or collective interest, not any investor in the fund or collective interest, is considered to be RBC BlueBay UK's Client.

**Compliance** – RBC BlueBay's Chief Compliance Officer or their delegate.

**Employee** – Any person who works for, or otherwise represents RBC BlueBay, and includes:

- an officer, director, non-executive director or employee within the entity; and
- consultants, contractors, part-time employees, or agents of the entity.

**Execution Criteria** – As defined in COBS 11.2.6R:

- the characteristics of the client;
- the characteristics of the order;
- the characteristics of financial instruments that are the subject of that order, and
- the characteristics of the execution venues to which that order can be directed.

**Execution Factors** – Include price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

**Material change** – A change that affects RBC BlueBay UK's ability to continue to obtain the best possible result for clients and impacts the parameters of best execution.

**Policy** – A set of broad goals, rules or principles outlining boundaries within which employees must act, without dictating a detailed course of action. To be considered binding on applicable employees.

**Procedure** – Documented processes and actions to be followed to implement a policy, to perform a function or to accomplish an objective.

**RBC BlueBay** – the legal entities representing the business of RBC Global Asset Management in the EMEA and APAC regions.

**RBC BlueBay UK** – RBC Global Asset Management (UK) Limited and Bluebay Asset Management LLP.

**RBC GAM Platform** – investment accounts and systems within the historic RBC GAM UK and RBC GAM Asia businesses.

**TMOG** – RBC BlueBay UK's Trade Management Oversight Committee.

## 5 Responsibilities

RBC BlueBay UK is required to provide Best Execution for Clients and in so doing will take into account the Execution Factors relevant to transactions it undertakes for Clients. In general, RBC BlueBay UK will seek to execute orders in such a manner that the total consideration, representing the price of the financial instrument and the costs related to execution is most favourable to the Client.

However, RBC BlueBay UK recognizes that qualitative factors are generally as important as quantitative factors when assessing Best Execution for clients. Other Execution Factors may be given precedence over the immediate price and cost consideration where we determine they are instrumental in delivering Best Execution. In determining the relative importance of Execution Factors, RBC BlueBay UK will take into account any relevant Execution Criteria.

RBC BlueBay UK will not typically accept specific execution instructions from Clients. Where it does, it will satisfy its best execution obligations in respect of the part or aspect of the order to which the client instructions relate. RBC BlueBay UK will continue to provide Best Execution in respect of any other parts or aspects of the transaction that are not covered by such instructions. In general RBC BlueBay UK will not execute a specific instruction for a Client order in aggregation with another Client order.

### 5.1 Execution Venues, Brokers and Counterparties

When RBC BlueBay UK executes orders it will seek to achieve Best Execution by selecting approved brokers or counterparties and execution venues that allow us consistently to obtain the best possible result.

Execution venues may include:

- EEA Regulated Markets (RMs)
- Multilateral Trading Facilities (MTFs) or Organized Trading Facilities (OTFs)
- Systematic Internalisers (SIs)
- Other liquidity providers (for example non-EEA Regulated Markets and exchanges)

The Appendix contains a list of approved venues and brokers as at the date of this document.

Where a broker is located outside the EEA orders will be required to be executed in accordance with the relevant local rules and regulations. For example US brokers used by RBC BlueBay UK are subject to the best execution rules of the Securities and Exchange Commission, rather than those of the Financial Conduct Authority or other EEA regulators. RBC BlueBay UK nonetheless holds such brokers to the same standards as EEA brokers pursuant to this policy and will continue to act in the best interests of its Clients.

#### *Financial instruments with a single execution venue*

Some financial instruments may only have one possible execution venue. In such circumstances RBC BlueBay UK will be deemed that we have achieved Best Execution when executing on that venue.

#### 5.1.1 Trading Hours

For equities orders, trading will take place during the normal market opening hours for prescribed equities markets on a regulated exchange. Fixed income orders, generally, are agreed with another counterparty “over-the-counter” at various times depending where the counterparty is located.

## 5.2 Execution Factors

RBC BlueBay UK takes all sufficient steps to obtain the best possible result for its clients taking into account all relevant factors including:

- Price;
- Costs;
- Size;
- Speed;
- The likelihood of execution and settlement;
- The nature of the order;
- The ability to remain anonymous in the market;
- The prevention of information leakage; and
- Any other consideration relevant to the execution of the order.

The relative importance of each of these factors within RBC BlueBay UK’s trading process will vary trade by trade

## 6 Best Execution – RBC Platform

### 6.1 Equities

RBC BlueBay UK executes Client transactions only with approved brokers. The choice of broker and method of trading is dictated by RBC BlueBay UK’s view of which broker will best be able to fulfil the trade in the most timely and efficient manner within an established price range.

Programme trades are often used when investing money for new Clients or if there is a material inflow or outflow on a Client’s account. A programme trade is frequently more efficient and cost effective way of transacting. When executing large program trades, generally a minimum of two brokers will be asked to provide a quote.

#### 6.1.1 Broker Selection and Review

RBC BlueBay UK maintains relationships with a number of approved brokers that are reviewed on a regular basis by the TMOC. These reviews take into consideration the quality of service provided by each broker including execution capability, access to capital and ability to provide natural flow and market intelligence.

In order for a broker to be approved, the New Broker Committee must be satisfied that the broker can provide a suitable level of service. The broker’s ability to trade effectively for Clients, provide access to different markets, share local knowledge and generate good quality ideas are all areas which are considered when adding a broker to the approved list. In addition, the broker’s financial situation and legal terms are verified before any broker relationship is established. .

Investment Policy reviews all trades which fall outside set tolerance levels for the price relative to Implementation Shortfall and request explanations from relevant dealer. As a practical matter this enables a close watch to be kept on trading efficiency.

RBC BlueBay UK also utilises the services of third party providers. A venue analysis vendor provides quarterly reports to RBC BlueBay UK of broker routing practices and quality of execution across different venues. These reports provide valuable information on possible brokers’ conflict of interest, their routing practices and execution quality.

Depending on the findings in quarterly reports, RBC BlueBay UK may decide to reduce trading with particular brokers or venues or to completely exclude certain brokers or venues from trading.

Additional trading quality analysis is performed using a third party vendor's trade cost analysis tool. The primary benchmark for analysing trading quality is Implementation Shortfall, i.e., the price at the time the original order was placed compared to the price at which the trade was actually executed. Third party analytics provides post-trade adjusted arrival prices based on the volume of trading, market conditions and other parameters.

The aim of the traders is to achieve best execution whilst beating the Third party adjusted implementation shortfall benchmark over an extended period. As an additional check, other benchmarks are used, such as the VWAP (volume weighted average price) benchmark. Under some circumstances, such as when macro or stock specific news had affected the stock price immediately before trading is done, using VWAP is a more objective measure of trading success than the Implementation Shortfall.

Price is only one of the elements of best execution. RBC BlueBay UK will not evaluate the success of a single trade based solely on the TCA. Other Execution Factors are considered as required. TCA represents a good measure of a broker's ability to provide Best Execution over the longer term. Sub-par TCA numbers are reviewed in the TMOC and where required further analysis on specific trades is conducted. If needed, an explanation from the relevant broker is requested.

## 6.1.2 Types of Orders

Orders sent to brokers are divided into two categories:

- Working orders, which cannot by virtue of their nature or size, be sent immediately by brokers to one or more execution venues (those trades are typically a result of portfolio rebalancing, large cash inflows or fund launches); and
- Small (routing) orders, orders that can be sent immediately by brokers to one or more execution venues.

For small (routing) orders, priority is given to price, then likelihood of execution. Those orders are typically executed using one of the broker algorithms. In general, there are two kinds of algorithms used at RBC BlueBay UK: implementation shortfall and scheduled algorithms. The success and quality of execution of algorithms is measured using a broker scorecard reporting. Traders chose an algorithm based on the data inputs such as trading volume, market trends, etc.

In general, for working orders, the priority is speed of execution, likelihood of execution, and then the price. These orders offer the opportunity to receive a better price at the expense of taking some risk that the order will not be executed. Our goal is to maximize access to liquidity.

In general, an order is considered a small order or a working order based on the percentage it represents of the average daily volume (ADV). Typically trades representing less than 10% of ADV are considered to be small orders and the rest are treated as working orders.

## 6.1.3 Large Block Trading

For trades that are deemed (by the trading desk) to be of a large notional size or multiple days of ADV, the trader might, in rare situations, seek a price from a broker to trade the whole (or a substantial portion) of the trade significantly outside the bid/offer spread at the time. In these instances the traders will:

- Run at least two pre trade cost estimates and send to the Investment Policy team,
- Consult with the Investment team.

We regularly review industry surveys (e.g., Greenwich, ITG, etc.) to check the commission rates we are paying, adjusting both down for electronic or programme trades and up for quality liquidity.

RBC BlueBay UK monitors the execution quality that the selected brokers deliver to ensure that they continue to deliver Best Execution (see Monitoring).

## 7 Best Execution – BlueBay Platform

This section applies solely to trading related to the BlueBay Platform.

Portfolio Managers work closely with Execution Traders and may provide specific instructions as to the manner in which an order should be executed. Alternatively, a Portfolio Manager may identify a specific execution factor, such as price or size, which should be prioritised in a given order. In such circumstances, the trader will, to the best of their ability, execute the order in accordance with the Portfolio Manager's instructions/intent. In the absence of such instruction, the Execution Trader will determine the relative importance of the execution factors, using their commercial judgement and experience in line with market information. While price will ordinarily merit the highest relative importance, variables such as breaking news and security liquidity may require the trader to prioritise other execution factors.

In circumstances where clients provide the RBC BlueBay UK team with a specific order instruction, RBC BlueBay UK will execute that order in accordance with that instruction. RBC BlueBay UK will continue to apply its order execution policy for any aspects of the instruction which the client does not specify. Clients should be aware that executing their specific orders may prevent RBC BlueBay UK from being able to achieve the best possible result.

Once a decision has been made to trade the RBC BlueBay UK team, in accordance with the Aggregation and Allocation Policy and Procedure, may combine or aggregate purchase or sale orders for the same security or other instrument for multiple clients, so that the orders can be executed at the same time and block trade treatment of any such orders can be elected, when available. Orders are generally aggregated when doing so is appropriate and in the interests of the client and block trade treatment may be elected, when available.

Once the Portfolio Manager has decided to deal, the Execution Traders will use their professional judgement, skill and experience to decide the most appropriate execution strategy.

There are several methods of giving effect to such decisions, including:

- Execution on a trading venue, which includes:
  - Placing an order on a regulated market via a broker;
  - Trading on a Multilateral Trading Facility (MTF); or
  - Trading on an Organised Trading Facility (OTF).
  - Execution outside of trading venue, which includes:
- Executing an order bilaterally with third-party counterparties acting as market makers or liquidity providers (including affiliates, where permitted by regulation and client mandates;
  - Placing or transmitting an order to a third-party broker on the Approved Broker list; or
  - An entity that performs a similar function in a non-EEA country to functions performed by any of the foregoing.

RBC BlueBay UK executes the majority of its trades with the brokers and counterparties listed in the Appendix of this policy. RBC BlueBay UK is not a member of, nor does it have direct access to, any regulated markets.

RBC BlueBay UK is a member of several MTFs which are listed in the Appendix of this policy. Trading on MTF's allow RBC BlueBay UK to trade efficiently and transparently, enabling RBC BlueBay UK to simultaneously receive competitive quotes from several counterparties, ensuring prompt execution at the best price.

RBC BlueBay UK is not currently a client of any OTFs. Should it be in the best interests of RBC BlueBay UK's clients to execute orders on an OTF, then RBC BlueBay UK will become a client of any OTFs where required.

Should RBC BlueBay UK wish to become a member, participant or client of any trading venue, this must be approved by the Trade Management Oversight Committee prior to any such trading commencing.

As part of the RBC Bluebay UK's terms of business, all clients give express consent for their orders to be executed on their behalf outside of a trading venue. When RBC BlueBay UK trades outside of a trading venue, RBC BlueBay UK's clients are exposed to counterparty risk. Counterparty risk is the risk of the counterparty failing to fulfil its contractual obligations. Counterparty risk is actively monitored by RBC BlueBay UK's Risk Management department. RBC BlueBay UK's clients are encouraged to contact RBC BlueBay UK if they would like to know more about the risk associated with trading outside of a trading venue.

The execution strategy decision is made having regard to the relative importance of the execution factors for the instrument in question. For some instruments, there may be only one available venue for trading and in such circumstances, RBC BlueBay UK will consider that the execution, in itself, represents the best possible result for the client.

Trades can only be executed with approved counterparties and execution venues. If a counterparty or execution venue has not been approved by RBC BlueBay UK, an approval process must be followed, as detailed in RBC BlueBay UK's Compliance Handbook.

In addition to RBC BlueBay UK's approval of brokers and counterparties, it is necessary to determine whether a trade can be allocated to a client, subject to the counterparty being on the list of approved counterparties for that client. Traders should ensure that they are aware of, and check that, the proposed counterparties are approved for all clients participating in the trade ahead of trading.

Therefore, the choice of venue for order execution may be limited to those which are approved by RBC BlueBay UK or the client.

## 7.1 Direct and Indirect Execution

RBC BlueBay UK does not have direct access to any regulated markets and thus places or transmits orders in such securities to a broker for execution. When trading on an indirect basis, RBC BlueBay UK is generally not responsible for controlling or influencing the arrangements made by the broker relating to the execution of that order. RBC BlueBay UK is thus not required to duplicate the efforts of the broker in ensuring the best possible result. RBC BlueBay UK's obligation is, therefore, to ensure that the brokers to whom such orders are placed or transmitted enable it to comply with its best execution obligation to its clients. In order to achieve this, RBC BlueBay UK regularly reviews the order execution policies and fees charged by its brokers. Where available, RBC BlueBay UK requests and reviews transaction cost analysis, or any other reporting, which evidences that its brokers have executed its order in accordance with their order execution policy.

When trading directly with a counterparty on a Request for Quote (RFQ) basis, the transaction will always be effected by way of direct execution with a broker or venue. In the case of an over-the-counter (OTC) derivatives transaction, it is necessary to determine whether there is an ISDA Master Agreement in place between the counterparty and the client to facilitate such trading, and this must be confirmed by the trader ahead of trade execution. This may reduce the number of counterparties available for executing the order.

Certain assets that RBC BlueBay UK trades may be considered to be OTC, or bespoke, instruments. This includes securities which are not admitted to trading on a trading venue. For these assets, where there is often a lack of market data available, RBC BlueBay UK will carry out a pre-trade analysis to ensure that the price proposed to RBC BlueBay UK is fair. This may entail gathering market data to estimate the price of the products or, where possible, by comparing it with similar or comparable products.

## 7.2 Asset Class Consideration

For the purpose of this policy, RBC BlueBay UK has categorised its investment universe into six groups. Each group is further detailed in the Appendix of this policy.

At all times RBC BlueBay UK's Traders must use their professional judgement to obtain the best possible result in the prevailing circumstances. Typically, Traders will approach several brokers or venues to obtain the best price available for a security. This "request for quote" (or RFQ) process takes place either by direct contact or over a platform, such as an MTF. When trading via an RFQ process, RBC BlueBay UK's Traders will typically request two or more competing quotes prior to trading. Depending on the order, the trader may request a greater or fewer number of quotes, if this is determined to be in the best interests of the client. For example, if RBC BlueBay UK is trading a large position, or if a security has limited liquidity and a small number of market makers, it may not be advantageous to seek multiple quotes. In such circumstances, requesting multiple quotes may lead to a price movement that is unfavourable to clients as a result of informing the market of RBC BlueBay UK's trading intentions. Where receiving multiple quotes for an order may be disadvantageous to the client, RBC BlueBay UK may select a single broker or execution venue to carry out the full order.

RBC BlueBay UK seeks to obtain best execution by the following measures:

- Traders can only execute trades with brokers on the Approved Broker/Counterparty List;
- Traders should aggregate orders where possible;
- Traders have established strong relationships with counterparties;

- Portfolio Manager remuneration is based on performance;
- Trader remuneration is based on internal reviews of execution performance;
- RBC BlueBay UK frequently reviews new trading technology and platforms, where this may enhance its execution arrangements; and
- RBC BlueBay UK does not receive any form of remuneration, discount or non-monetary benefit for directing orders to a particular venue or broker for execution.

### 7.3 Fixed Income

The following characteristics of fixed income markets mean that there is less transparency on trade volumes and prices than in equity markets:

- The very large population of less liquid or illiquid securities;
- The relatively large average trade sizes and low trading frequency;
- The relatively active turnover in the initial period following a new issue but a rapid decline in trading activities thereafter; and
- Much of the trading activity historically taking place outside of trading venues.

When executing fixed income orders, such as bonds, money market instruments and loans, prices will ordinarily merit a high level of importance. For large orders, the ability to trade large volumes of that security may be given preference over price. In these circumstances, a single broker may be selected to trade the entire block or “work an order”. Brokers are selected on their expertise in that market and their track record in similar trades. Where the security is highly illiquid or when markets are moving quickly, likelihood of execution and speed may be given the highest priority.

**New Issues:** An important source of liquidity in the fixed income market is the new issuance of securities. The purchase of bonds at their issuance takes place either through a broker or market maker or from the lead manager in the issuing syndicate. Therefore, there is often little or no choice to select a specific counterparty for such transactions. Prior to the purchase of a new issue, the Portfolio Manager will determine the maximum price for which they are willing to buy the securities. The lead manager will then confirm the final allocation for the trade.

### 7.4 Exchange-Traded Derivatives (ETDs)

RBC BlueBay UK trades a variety of exchange-traded derivatives, including interest rates, credit, equity, commodity and currency derivatives. RBC BlueBay UK is not a member of any regulated markets and, as such, RBC BlueBay UK will place or transmit orders in such securities to a third-party broker for execution on a regulated market. If the order is above a minimum threshold, RBC BlueBay UK may execute the order directly with the broker at a “risk price”.

For exchange-traded derivatives orders, RBC BlueBay UK has agreed non-discriminatory, standardised commission models with several key counterparties. Brokers are selected by the trader based on factors including the availability of electronic trading connections with the broker and the broker’s expertise in that market. Generally, orders in exchange-traded derivatives will be traded on a regulated market when price, cost or speed is determined to be the most important execution factor.

RBC BlueBay UK may also trade exchange-traded derivatives directly with a broker on a “risk price” basis, if the order is above the minimum size threshold. Trading on a risk price basis provides the benefit of price and increased execution certainty, when required.

### 7.5 Over-The-Counter Derivatives (OTC)

When RBC BlueBay UK trades OTC derivatives, such as interest rate, credit, equity and securitized derivatives, RBC BlueBay UK must do so only with those counterparties with whom legal documentation is in place to enable trading.

When trading OTC derivatives, price will ordinarily merit a high level of importance. Similarly to bonds, size, likelihood of execution and speed may be given a higher level of importance depending on the order, the instrument in question and the available execution venues. RBC BlueBay UK may request a quote from a single counterparty if this is to the benefit of the client, or if not, reach out to several counterparties to request competing quotes prior to trading.

## 7.6 Currency

When RBC BlueBay UK trades currency-related securities, such as FX forwards and swaps, the execution strategy will be determined by a range of factors, including the characteristics of the currency pair, the size of the order and the availability of execution venues for that order. Prior to trading, RBC BlueBay UK must consider the eligibility of the counterparties for each client on the order. The inability to trade with certain brokers may impair the trader's ability to achieve the best level of execution in the market. For common currency pairs which are below market size, the trader will generally trade on a trading venue after requesting multiple simultaneous quotes. For less liquid or larger trades which cannot be traded (or are unsuitable for trading) on a trading venue, the trader may directly approach one or more counterparties known to be active in the respective currency pairing. The trader will then select the best competing quote for that order.

Certain currencies are subject to trading restrictions and RBC BlueBay UK may only be able to trade with a single counterparty or the client's custodian. In such circumstances, RBC BlueBay UK will consider that best execution has been achieved.

## 7.7 Equities

As RBC BlueBay UK is not a member of any regulated markets, RBC BlueBay UK will generally place or transmit equity orders with a broker who will directly access the market on RBC BlueBay UK's behalf or will trade the security outside of a trading venue. Prior to placing or transmitting the order, the trader will use their professional judgement, in light of the prevailing market conditions, to select a broker. The selection of a broker is highly dependent on the characteristics of that security and the order itself. As price will generally be the most important factor when executing equity trades, the trader may make use of a single broker who has a proven track record in executing orders of that nature. Where speed or execution certainty is determined to be the most important factor, the trader may use the broker which has historically proven to be reliable in that area.

## 7.8 Securities Financing Transactions

RBC BlueBay UK executes securities financing transactions ("SFTs") for its clients, specifically repurchase agreements ("repos") and reverse repurchase agreements ("reverse repos").

For both repo and reverse repo transactions, RBC BlueBay UK generally achieves best execution by communicating its SFT trading requirements to numerous counterparties, prior to executing at the most competitive rate. However, other factors are also considered as part of the trade execution process, including counterparty credit risk and the diversification of counterparty exposure.

## 7.9 Structured Products

Structured Products is taken to include Collateralised Loan Obligations ("CLO"), irrespective of the form (rated notes or bonds, or equity tranches). The methods of execution will be dependent upon the nature of the transaction in question, and upon the professional judgement of the trader executing the order. RBC BlueBay UK may seek to hold competitive auctions which allow interested parties to bid in competition, whereupon the best bid will be chosen (however, RBC BlueBay UK reserves the right not to sell the security). Alternatively, RBC BlueBay UK may opt to bilaterally negotiate transactions with individual counterparties where discretion may be required. When buying, traders may receive daily Bids Wanted in Competition ("BWIC") from trading counterparties, through which RBC BlueBay UK will assess for securities it wishes to purchase and submit its competitive bid. Alternatively, RBC BlueBay UK receives offering lists from its trading counterparties, through which it may negotiate execution bilaterally.

For orders in Structured Products, price will generally be given the highest relative importance when determining the method of execution. However, other factors may take precedence depending on the nature of the transaction. In certain circumstances, the ability to trade quickly or to maintain anonymity while trading so as to reduce market impact, may take precedence over price.

## 8 Monitoring

RBC BlueBay UK monitors the effectiveness of its order execution arrangements in order to identify and, where required, correct any deficiencies. On a regular basis, RBC BlueBay UK reviews whether the execution venues in this

policy allow RBC BlueBay UK to consistently achieve the best possible result for its clients and whether any changes are necessary.

RBC BlueBay UK employs both sample and exception-based monitoring to evaluate effectiveness of its execution arrangements, utilising tools such as transaction cost analysis to review its trading activity, in order to identify trends and provide feedback on the quality of execution obtained.

RBC BlueBay UK has a Trade Management Oversight Committee which includes representatives from Risk, Investment Policy, Compliance, Operations and Front office. The Committee meets on a quarterly basis to review the measures described above. The Committee is responsible for identifying whether there have been any material changes which would affect RBC BlueBay UK's ability to consistently obtain the best possible results for its clients. Should this be the case, RBC BlueBay UK will notify its clients of this fact.

## 9 Aggregation

Dealers must ensure that orders executed on behalf of clients are promptly and accurately recorded and allocated; and carry out otherwise comparable client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise.

Where RBC BlueBay UK makes portfolio management decisions or receives Client orders relating to the same security, but for different Client accounts, RBC BlueBay UK will typically aggregate those orders, subject to Best Execution requirements. Such aggregation may reduce commission costs or market impact costs on a per-share or per-dollar basis or may help ensure that no Client benefits relative to another through the sequence of Client orders.

When RBC BlueBay UK does not aggregate Client orders, it must ensure all Client account orders are treated fairly and equitably over time and must not intentionally favour or disfavour any Client or class of Client in the allocation of investment opportunities. Any decision not to aggregate equity orders which might otherwise have been aggregated will be recorded by the Trading Desk and reported at the next Trade Management Oversight Committee.

### 9.1 Partial Fills

#### 9.1.1 Equities

On occasion, an aggregated order may not receive sufficient securities to fill all of the accounts. In such circumstances, the executed portion of any equity order will typically be allocated to the participating accounts *pro rata* on the basis of their order size. This procedure also applies to subscription orders for a primary or secondary equity offering.

An exception to this might occur in the rare circumstances where to do so would not be in the interests of all impacted Clients. Examples where it would not be in the best interests of all Clients to receive a pro-rata share could be availability of stock to build a meaningful position size, trading and settlements costs are deemed excessive or pro rata allocation is not possible. In these exceptional circumstance allocations will be made to one participating account randomly. In certain circumstances the portfolio manager may propose to exclude accounts from the random draw where the allocation would be de minimus given the size of the fund and the Client would not be disadvantaged from being excluded. All non pro-rata allocations must be approved by Compliance and reported at the next meeting of the Trade Management Oversight Committee.

## 10 Execution Difficulties

Should any dealer become aware of any material difficulties with the proper execution of an order they should promptly notify the CCO and the Chief Operating Officer.

## 11 Record Keeping

Dealing records must be retained kept for a minimum of seven years.

## 12 Other Policy Considerations and Controls

### 12.1 Review and Updates

RBC BlueBay UK keeps its order execution arrangements and this Policy under regular review. This Policy is formally reviewed at least annually and should be also be reviewed whenever a Material Change occurs.

Any material changes to this Policy or RBC BlueBay UK's execution arrangements must be notified to Clients and the Order Execution Disclosure statement must be updated accordingly. A change would be material if its disclosure was necessary to enable the Client to make a properly informed decision about whether to continue using the services of RBC BlueBay UK.

### 12.2 Matters outside RBC BlueBay UK's Control

In some cases, whether as a result of system failures, disrupted markets or otherwise, it may be necessary to execute orders in a different manner to that documented in this policy for the financial instrument in question. In such circumstances RBC BlueBay UK will still seek to achieve the best possible result for the Client in the prevailing circumstances.

## 13 Exceptions, Breaches and Escalation

All requests for exceptions to this Policy must be escalated to the owner of this Policy.

Failure to adhere to this Policy may result in disciplinary action, which could result in the termination of employment.

All violations or breaches of this policy should be escalated and reported to your line. Failure to follow these escalation steps if you have breached the policy or are aware of an Employee that has breached the policy could result in disciplinary action.

## Appendix: RBC Platform Execution Venues and Approved Counterparties

The following is a non-exhaustive list of the venues used by RBC BlueBay UK and may change without notice. We believe the venues listed allow us to obtain on a consistent basis the best possible result for the execution of client orders. Any venues used, but not listed here, will nevertheless still have been selected in accordance with this Policy.

### **Equities:**

#### ***EEA Regulated Markets:***

Athens Stock Exchange  
Borsa Italiana  
Budapest Stock Exchange  
Deutsche-Boerse (Xetra)  
Irish Stock Exchange  
London Stock Exchange  
Madrid Stock Exchange  
NYSE Euronext (Paris, Amsterdam, Brussels, Lisbon)  
OMX Exchanges (includes exchanges in Denmark, Sweden and Finland)  
Oslo Stock Exchange  
Prague Stock Exchange  
Vienna Stock Exchange

#### ***Non EEA Regulated Markets:***

American Stock Exchange  
Australian Stock Exchange  
Bangkok Stock Exchange  
Bombay Stock Exchange  
Hong Kong Stock Exchange  
Istanbul Stock Exchange  
Jakarta Stock Exchange  
Johannesburg Stock Exchange  
Korea Stock Exchange  
National Stock Exchange  
NASDAQ  
New York Stock Exchange  
Mexican Stock Exchange  
Philippine Stock Exchange  
Sao Paulo Stock Exchange BOVESPA  
Shanghai Stock Exchange  
Shenzhen Stock Exchange  
Singapore Stock Exchange  
SWX Europe  
SWX Swiss Exchange  
Tel Aviv Stock Exchange  
Tokyo Stock Exchange  
Toronto Stock Exchange

### **Fixed Income:**

Bloomberg  
Bats Trading  
Chi-X  
Equidnet  
MarketAxess  
NASDAQ OMX  
OS Crossfinder  
Sigma X  
Turquoise  
Tradeweb

**Derivatives:**

Eurex  
Liffe  
CBOT  
NYMEX  
LME  
Bloomberg SEF

The RBC BlueBay UK Operations team maintains a list of approved equities brokers.

Fixed Income counterparties are maintained and approved by RBC GAM Canada Inc. for whom RBC BlueBay UK acts as a sub-adviser.

## Appendix: BlueBay Platform Approved Brokers/Counterparties

RBC BlueBay UK may use the following brokers or counterparties when obtaining best execution. This list is not exhaustive and may be subject to change and revised from time to time. RBC BlueBay UK may use brokers or counterparties not listed below where it deems appropriate in accordance with the Order Execution Policy.

### **Fixed Income:**

A&NZ Banking Group	Credit Suisse	Nomura
BAML	Deutsche Bank	RBC
Bank of Nova Scotia	Goldman Sachs	RBS
Barclays	HSBC	Santander
BBVA	ING	Societe Generale
BNP Paribas	Jefferies	Standard Chartered
Cantor Fitzgerald	JP Morgan	UBS
Citigroup	Mitsubishi UFJ	Unicredit
Commerzbank	Mizuho	Wells Fargo
Credit Agricole	Morgan Stanley	

### **Exchange Traded Derivatives:**

Barclays	ED&F Man	Morgan Stanley
Citigroup	Goldman Sachs	Nomura
Credit Suisse	HSBC	UBS

### **OTC Derivatives:**

BAML	Credit Suisse	JP Morgan
Barclays	Deutsche Bank	Morgan Stanley
BNP Paribas	Goldman Sachs	Societe Generale
Citigroup	HSBC	

### **Currency:**

BAML	Deutsche Bank	RBS
Barclays	Goldman Sachs	SEB Bank
BBH (Custodian)	HSBC	Societe Generale
BNP Paribas	JP Morgan	Standard Chartered
Citigroup	Morgan Stanley	State Street (Custodian)
Credit Suisse		

### **Equities:**

BAML	Intermonte	Sanford Bernstein
Cantor Fitzgerald	Jefferies	Seaport Group
Citigroup	JP Morgan	Weeden
Credit Suisse	Mariana Capital	Wells Fargo
Deutsche Bank	Mitsubishi UFJ	
DSD Holdings	Morgan Stanley	

### **Securities Financing Transactions:**

BAML  
Bank of Nova Scotia  
Barclays  
BNP Paribas

Citigroup  
Credit Suisse  
HSBC  
ING

JP Morgan  
Nomura  
Standard Chartered

**Structured Products:**

BAML  
Banca IMI  
Barclays  
BNP Paribas  
Citigroup

Deutsche Bank  
DZ Bank  
Goldman Sachs  
HSBC  
JP Morgan

Morgan Stanley  
Nomura  
Wells Fargo

**Clearing Brokers:**

Citigroup  
Credit Suisse  
Goldman Sachs  
Morgan Stanley

## Appendix: Regulated Markets, MTF's and OTF's

BlueBay may use the following Regulated Markets, multilateral trading facilities ("MTFs") and organised trading facilities ("OTFs") when obtaining best execution. BlueBay may use venues not listed below where it deems appropriate in accordance with the Order Execution Policy.

### **Electronic Platforms (Multilateral Trading Facilities):**

Bloomberg  
FX Connect

Liquidnet  
FXall

FXGO  
MarketAxess  
Tradeweb

## Approval, Responsibility and Review Schedule

Responsibility for this Policy: VP, Investment Policy

Policy Review and Approvals:

Review Cycle: Annual

Next Review Due: April 2024

Approved By: Milos Vukovic

Approval Date: April 2023

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End of Document

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