

“BEST SELECTION”

The 5 main intermediaries (brokers)

CANDRIAMBELGIUM

Contents

1. INTRODUCTION.....	2
2. EXECUTION AND SELECTION CRITERIA OF INTERMEDIARIES.....	2
3. RANKING OF THE 5 MAIN INTERMEDIARIES BY FINANCIAL INSTRUMENT.....	3
3.1 SHARES EXCLUDING ETFs AND ETNS	3
3.2 FIXED INCOME.....	3
3.3 INTEREST RATE DERIVATIVES	4
3.4 CURRENCY DERIVATIVES	4
3.5 EQUITY DERIVATIVES	4
3.6 TRADED INDEX PRODUCTS (ETFs, ETNS)	4

Edited by	Compliance
Validated by	Corporate Compliance Committee
Sent to	All Candriam employees
Update date	May, 2020

“BEST SELECTION”

The 5 main intermediaries (brokers)

CANDRIAMBELGIUM

1 INTRODUCTION

In terms of best selection, the new MiFID II regulation, which has been in effect since 03 January 2018, provides for greater transparency with the publication of information relating to the five main intermediaries used and in terms of quality of execution the strengthening of the requirements for obtaining the best possible result when executing an order.

In relation to mandated management activities for our institutional and private clients this document presents the five main intermediaries (brokers) in terms of trading volume per financial instrument, as well as the selection policy and the execution policy of these intermediaries implemented by CANDRIAM Belgium.

2 EXECUTION AND SELECTION CRITERIA OF INTERMEDIARIES

CANDRIAM Belgium’s strategy is to ensure that the selection and execution process is in the best interests of our clients and is described in the execution and selection matrices by financial instrument class below, which also detail the decision factors used for each of the asset classes.

- Execution and selection matrix by financial instrument:

Financial Instruments	How to obtain the best execution and selection of counterparties	Decision factors
Equities	Orders transmitted by direct electronic connection to brokers or via trading platforms (algorithms).	Price, liquidity, speed of execution, cost, quality of service and of follow-up, quality of their Middle Office and of their settlement procedure.
ETF	Orders transmitted by direct electronic connection or by the use of a request for quotation (RFQ) with several authorised counterparties.	Price, liquidity, speed of execution, cost, quality of the follow-up, quality of their Middle Office and of their settlement procedure.
Fixed Income	Orders using requests for quotation (RFQs) with multiple authorised counterparties through trading platforms or telephone/instant messaging communications.	Price, liquidity, quality of the execution service and the follow-up, quality of their Middle Office and of their settlement procedure.
Convertible bonds	The use of requests for quotations (RFQs) with multiple accredited counterparties through trading platforms or telephone/instant messaging communications.	Price, liquidity, speed of execution, cost, quality of service and of follow-up, quality of their Middle Office and of their settlement procedure.

“BEST SELECTION”

The 5 main intermediaries (brokers)

CANDRIAMBELGIUM

Listed derivatives	Orders transmitted by direct electronic connection to brokers (futures, listed options) or using requests for quotations (RFQ) with several authorised counterparties through trading platforms (listed options) or transmitted by telephone/instant messaging communications (listed options).	Price, liquidity, speed of execution, cost, quality of the operational processing.
OTC derivatives (excluding Forex)	Orders transmitted via trading platforms or transmitted by telephone/instant messaging communications.	Price, liquidity, speed of execution, cost.
Forex	Orders using requests for quotations (RFQ) with several authorised counterparties through trading platforms or by telephone/instant messaging.	Price, liquidity, speed of execution, cost.

3 RANKING OF THE 5 MAIN INTERMEDIARIES BY FINANCIAL INSTRUMENT

The following ranking by class of instrument is based on the statistics for volumes of orders processed over the previous period and groups together all of the best-performing intermediaries for each class of financial instrument in accordance with the criteria and methodologies described in its selection and execution policy. This ranking is presented in advance to members of the Broker Review Committee for approval.

i. Shares excluding ETFs and ETNs

April 2020 ranking (fiscal year 2019)
1. Goldman Sachs International - UK
2. Citigroup Global Markets LTD - UK
3. KBC Securities NV - Belgium
4. JP Morgan AG - Germany
5. Barclays Bank PLC - Ireland

ii. Fixed Income

April 2020 ranking (fiscal year 2019)
1. Morgan Stanley Europe SE - Germany
2. BNP Paribas Securities Services - UK
3. Nomura International PLC - UK
4. Societe Generale - France
5. JP Morgan AG - Germany

“BEST SELECTION”

The 5 main intermediaries (brokers)

CANDRIAMBELGIUM

iii. Interest rate derivatives

April 2020 ranking (fiscal year 2019)
1. JP Morgan AG - Germany
2. JP Morgan Securities PLC - UK
3. Societe Generale Newedge UK LTD - FR

iv. Currency derivatives

April 2020 ranking (fiscal year 2019)
1. JP Morgan AG - Germany
2. RBC investor Services Bank SA
3. UBS Europe SE (Brexit/ongoing)
4. JP Morgan Securities PLC - UK
5. UBS LTD

v. Equity derivatives

April 2020 ranking (fiscal year 2019)
6. JP Morgan AG - Germany
7. JP Morgan Securities PLC - UK
8. Banque de Luxembourg - Luxembourg
9. Citigroup Global Markets LTD - UK
10. Banque Internationale à Luxembourg SA - Luxembourg

vi. Traded index products (ETFs, ETNs)

April 2020 ranking (fiscal year 2019)
1. Flow Traders B.V.- Netherlands - SB
2. Societe Generale - France
3. Citigroup Global Markets LTD - UK
4. Exane SA - France
5. Morgan Stanley Europe SE - Germany