

NatWest Markets Client Order Execution Policy

August 2020

1. Introduction

This Client Order Execution Policy sets out the approach of NatWest Markets¹ to providing Best Execution under the Markets in Financial Instruments Directive ("MiFID") and the Financial Conduct Authority's Conduct of Business Sourcebook ("COBS"), when executing client orders or quotes on behalf of clients.

MiFID and COBS requires investment firms, when executing certain transactions on behalf of clients, to take all sufficient steps to obtain the best possible result for clients on a consistent basis, taking into account the factors set out in Section 5 below. This requirement is known as the Best Execution obligation.

This policy is supplemented by appendices which provide further details on NatWest Markets' approach to providing best execution in relation to specific asset classes, including:

- FX
- Rates
- Credit
- Exchange Traded Derivatives
- Money Market Instruments

2. Scope

2.1 Client Scope

NatWest Markets will apply Best Execution to all MiFID transactions with Retail Clients dealing in Financial Instruments (as defined in Schedule 1) unless otherwise agreed.

NatWest Markets will apply Best Execution to MiFID transactions with Professional Clients dealing in Financial Instruments (as defined in Schedule 1) in the following circumstances:

1. where NatWest Markets accepts an order; or
2. where Professional Clients legitimately rely on NatWest Markets to protect their interests in relation to pricing and other important elements of the transaction (as determined by the 'four fold' test explained in section 4 of this policy); or
3. where NatWest Markets has expressly agreed to provide Best Execution.

This Policy and the Best Execution obligation does not apply to Eligible Counterparties.

2.2 Jurisdictional Scope

This policy is applicable to NatWest Markets offices and branches which operate in the European Economic Area (EEA) when executing or transmitting client orders in financial instruments on behalf of clients, regardless of where the client is located.

However, this policy will not apply to transactions between clients and NatWest Markets entities not regulated within the European Economic Area or non-EEA branches of NatWest Markets EEA regulated entities.

3. Best Execution Obligation

Best execution is the overarching obligation for NatWest Markets to take all sufficient steps, when executing client orders in financial instruments on behalf of clients, to obtain the best possible result for its clients. In order to satisfy our Best Execution obligation, NatWest Markets has a policy and processes in place which are designed to take all sufficient steps to obtain the best possible result for the client on a consistent basis, taking into account certain factors (the 'execution factors') and criteria (the 'execution criteria') relevant to the execution of that transaction, as outlined in section 5.

4. Application of Best Execution

The Best Execution obligation applies in circumstances where we are acting in an agency capacity or where we have a contractual obligation to do so.

The Best Execution obligation will also apply when NatWest Markets is acting in a principal capacity and you are placing a legitimate reliance on NatWest Markets to protect your interests in relation to the execution of a transaction.

¹ Natwest Markets Plc

Where NatWest Markets is executing transactions in a principal capacity, NatWest Markets is the execution venue for the transaction, although NatWest Markets will use a number of different venues to hedge its risk and source liquidity.

When executing Requests for Quotes (RFQ) and negotiated price transactions in a principal capacity, NatWest Markets will take the following factors into account when determining whether Best Execution applies, known as the ‘four fold test’:

- whether the Professional Client or NatWest Markets initiates the transactions;
- market practice in the relevant Financial Instrument, including the ability for the client to “shop around”;
- the level of price transparency in the market; and
- the information provided by NatWest Markets and any agreement reached

Where you are a Professional client and the consideration of the above factors concludes that you are not legitimately relying on NatWest Markets, then best execution will not apply.

5. Application of Execution Factors and Execution Criteria

5.1 Execution Factors

NatWest Markets will take into account a number of factors (the “execution factors”) when executing a client order or transaction, including:

- available price in the market;
- transaction costs (including fees charged for execution on any particular venue, and clearing and settlement costs);
- speed of execution;
- the likelihood of execution and settlement (depending on liquidity in the particular market);
- the size and nature of the transaction; and
- any other consideration that we deem to be relevant to the execution of that transaction

5.2 Execution Criteria

NatWest Markets will take into account the following criteria (the “execution criteria”) for determining the relative importance of the execution factors as outlined above:

- the characteristics of the client (including whether the client is classified as Retail or Professional);
- the characteristics of the transaction (including the type of transaction, size and likely market impact);
- the characteristics of the Financial Instrument to which the transaction relates;
- the characteristics of the execution venues to which the transaction can be directed; and
- any other circumstances that we deem to be relevant to the execution of that transaction.

In the absence of express instructions from a client, NatWest Markets will exercise its own discretion in determining the execution factors and relative importance thereof.

For Retail Clients, NatWest Markets will give the Total Consideration² a higher relative importance when assessing the best result. We may also consider the other factors listed in Section 5.1 where we consider it appropriate or necessary to provide Best Execution.

For Professional Clients, price will usually be the most important factor when assessing the best result, although the other factors outlined in Section 5.1 may be taken into account at our discretion.

NatWest Markets will use reasonable endeavours to act in accordance with this Policy, but we do not guarantee that the best possible price will be obtained in all circumstances. There may be occasions when NatWest Markets changes the priorities given to the execution factors outlined in Section 5.1, where we deem that execution may not lead to the best possible result, for example in times of severe market disruption or in the event of a system outage.

6. Execution Venues

NatWest Markets will typically execute transactions on the following venues:

- Regulated Markets;
- Multilateral Trading Facilities (“MTFs”);
- Organised Trading Facilities (“OTFs”);
- Order crossing networks and other electronic platforms;
- Venues available to different companies or entities forming part of NatWest;
- Systematic Internalisers, market makers and other liquidity providers (including NatWest Markets when we are acting as principal and will be your counterparty to the trade);

² Total Consideration is made up of the price of the financial instrument (including any bid/offer spread) and the costs related to execution, which includes all expenses incurred by a client which are directly related to the execution of the transaction, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the transaction. It does not include any sales commission or mark-up (“sales margin”) that may be charged by NatWest Markets. See Section 10.

In choosing execution venues, NatWest Markets will make a decision based on a consideration of the execution factors and/or specific client instructions. The specific criteria that NatWest Markets takes into account when on-boarding a new execution venue or new source of liquidity will vary depending on the specific type of financial instrument for which the execution venue or source of liquidity is being appointed. NatWest Markets will use reasonable endeavours not to discriminate unfairly between execution venues and sources of liquidity.

7. Transactions where Best Execution has limited scope

In some instances where the Best Execution obligation applies, the nature of the transaction means that in effect, the obligation is satisfied. These cases include the following:

7.1 Specific client instructions

Where NatWest Markets receives a specific instruction from a client relating to a transaction or a particular aspect of a transaction, we will execute the transaction as far as reasonably practicable in accordance with those instructions.

Please note that where you provide us with a specific instruction, we will therefore not be obliged to provide Best Execution to the extent of the specific instructions, and this may prevent us from obtaining Best Execution for the overall transaction. Where the specific instruction only applies to part of an order, the remaining parts of that order will still be subject to the requirements of this Policy.

7.2 Direct Market Access

Where NatWest Markets has provided a client with direct access to send transactions to a Regulated Market, MTF, OTF, crossing network or other electronic platform, the client is responsible for achieving their own Best Execution.

7.3 Access to Electronic Trading Systems

Where NatWest Markets has provided a client with access to prices displayed on third party crossing networks or other third party electronic systems and the client decides to deal at the prices displayed, the client is responsible for achieving their own Best Execution.

7.4 FX

Where NatWest Markets enters into an FX spot or forward transaction on your behalf, as a means of payment, such transaction will not be subject to the requirements of this Policy.

8. Order Handling

8.1 Carrying out Client Orders

When carrying out orders for Retail and Professional Clients, NatWest Markets will generally execute comparable orders sequentially. All client orders will be handled in a timely fashion, unless the characteristics of the order, prevailing market conditions or the instructions or interests of the client require otherwise.

8.2 Aggregation and Allocation

NatWest Markets may aggregate client orders with those of other clients or our own orders to be executed at the same time only where it is unlikely that the aggregation will work to the overall disadvantage of any client whose order is to be aggregated and in accordance with its order allocation policy. However, it remains possible that the effect of any aggregation may work to the disadvantage of a client in relation to any particular order.

8.3 Limit Orders

Unless otherwise notified in writing to NatWest Markets, you instruct us not to immediately make public (where we would otherwise be required to do so by Applicable Regulations) any of your client limit orders in respect of shares admitted to trading on an EU regulated market, or traded on a trading venue (as defined in the FCA Rules), which are not immediately executed under prevailing market conditions, unless NatWest Markets decides in its discretion to do so. Where NatWest Markets use another firm to execute the limit order, that firm may have discretion in how that order is executed and whether the order is published where it is not immediately executed.

NatWest Markets will use its professional judgement in determining whether a limit for a limit order has been reached.

8.4 Market Volatility

Market volatility may result in the price of a Financial Instrument moving significantly from the time of receipt of a client order to the time of order execution. NatWest Markets will attempt to reflect such price movements, whether positive or negative, in the price provided to the client.

9. Top Five Venue Publication

In addition to the information contained in this Policy, NatWest Markets will summarise and make public on an annual basis, for each class of financial instrument identified in this Policy, the top five execution venues where NatWest Markets executes orders, and the top five brokers to whom it transmits orders for execution, in terms of trading volumes, in the preceding year, including information on the quality of execution obtained. This information will be published on our website on an annual basis.

10. Sales Margin / Mark-ups

NatWest Markets will provide you a single “All-In Price” which is made up of:

- the price of the financial instrument (including any bid/offer spread);
- the costs related to execution including execution venue fees³, clearing and settlement fees and other fees paid to third parties involved in the execution of the transaction; and
- any sales margin or mark-up (“sales margin”).

The sales margin charged by NatWest Markets is determined taking into consideration a variety of factors, including:

- service level provided; and
- volumes traded by the client

The price, costs and sales margin will vary depending on the client and transaction. Please see NatWest Markets’ disclosure update at <https://www.natwest.com/corporates/support/disclosures.html> for further information on pricing. Further information is available on request.

11. Review and Monitoring

NatWest Markets has an obligation to monitor the effectiveness of its execution arrangements and this Policy, and where appropriate, correct any deficiencies.

NatWest Markets will review on a regular basis whether the execution venues and liquidity sources included in this Policy provide the best possible result on a consistent basis, including post-trade analysis and sample testing to monitor compliance with this policy.

NatWest Markets will review this Policy and its execution arrangements on an annual basis and may make ad-hoc amendments depending on the outcome of the monitoring process.

Any material changes to this Policy will be made available on the NatWest Markets website at: <https://www.natwest.com/corporates/support/disclosures.html>.

12. Client notification / consent requirements

To the extent that NatWest Markets executes transactions on behalf of clients in instruments that are admitted to trading on a trading venue, but executes those transactions outside of a MIFID trading venue, we must obtain consent from our clients’ to this. We have requested your consent to this. In the absence of an explicit response from you that you do not permit orders on your behalf to be executed outside of a trading venue, if you place an order with us, we will treat you as having provided us with consent to trade outside of a MiFID trading venue, thereby allowing us the flexibility to choose from a wider range of execution venues and recognising that in some markets (for example, fixed income) you will be executing directly with NatWest Markets as principal.

Where we do execute trades outside of a trading venue, you should be aware of the potential consequences. There may be greater counterparty/credit risk when executing OTC because you will not be taking the credit risk on an intermediary such as a central clearing firm. It may be more difficult for you to obtain accurate pricing information because OTC trades may be negotiated and priced individually and there is no central source for obtaining price information from competing dealers.

13. Enquiries

NatWest Markets will, upon request from a client, demonstrate that we have executed transactions in accordance with this Policy.

³ When transacting certain FX products and where the customer has a choice of execution venue, there may be additional costs incurred for this transaction which are captured within the Sales Margin element of the all-in price. The cost of a venue will only be captured once.

Schedule 1

List of MiFID Financial Instruments to which NatWest Markets Order Execution Policy applies

The policy applies to the following MIFID Financial Instruments:

1. Transferable securities;
2. Money-market instruments;
3. Units in collective investment undertakings;
4. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
5. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event);
6. Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled, provided that they are traded on a regulated market and/or a MTF;
7. Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in 6 above and not being for commercial purposes, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are cleared and settled through recognised clearing houses or are subject to regular margin calls;
8. Derivative instruments for the transfer of credit risk;
9. Financial contracts for differences; and
10. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates, emission allowances or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of a default or other termination event), as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market or an MTF, are cleared and settled through recognised clearing houses or are subject to regular margin calls.

Best Execution does not apply to the following (non-exhaustively):

Spot foreign exchange and commodity transactions;

Loans and deposits;

Commodity derivatives that can only be physically settled and are not traded on a regulated market or MTF, and other derivatives which are for commercial purposes which do not comply with particular criteria (such as derivatives on emission allowances not traded on a regulated market nor cleared through a central clearing house and for which there are no regular margin calls); and Exercise and assignment of options.

Appendix A – Exchange Traded Derivatives (ETDs)

Products in scope:

Exchange traded futures and options including but not limited to fixed income, money market, index, single stock/equity and commodity futures.

Types of orders received:

Market Orders:

At Market Orders are orders from the client to buy or sell a volume of a tradeable ETD as soon as practicable at the best currently available price.

At Best Orders are orders from the client to buy or sell a volume of a tradeable ETD at the best currently available price, balancing speed of execution against price.

Stop at Market Orders are orders from the client to buy or sell a volume of a tradeable ETD as soon as practicable when the stop price specified by the client becomes available for trading.

At Close Orders are orders from the client to buy or sell a volume of a tradeable ETD at the best available price at or near the close of the market.

At Open Orders are orders from the client to buy or sell a volume of a tradeable ETD at the best price available at or near the open of the market.

Time Release at Market Orders are orders from the client to buy or sell a volume of a tradeable ETD at the best price available as soon as is practicable at or after a specific time.

NatWest Markets will provide Best Execution for Market Orders by balancing factors of speed of execution against the likely price impact of trading activity while complying with any specific client instructions and regulatory and exchange requirements.

Limit Orders:

Limit Orders are orders from a client to buy or sell a volume of a tradeable ETD at a specified limit price.

Stop at Limit Orders are orders from a client to buy or sell a volume of a tradeable ETD at a specified limit price when the stop price becomes available for trading.

Time Release at Limit Orders are orders from a client to buy or sell a volume of a tradeable ETD at a specified limit price at or after a specific time.

NatWest Markets will provide Best Execution for Limit Orders by entering them into the trading systems of the relevant Execution Venue (see below) as soon as practical at the limit prices instructed by the client.

Special Orders:

Time Weighted Average Price (TWAP) Orders are orders from a client to buy or sell a volume of a tradeable ETD at an average price over a specific time period.

Volume Weighted Average Price (VWAP) Orders are orders from a client to buy or sell a volume of a tradeable ETD at an average price based on prevailing execution volumes.

Impact Minimizing Orders are orders from a client to buy or sell a volume of a tradeable ETD to minimise market impact.

NatWest Markets will provide Best Execution for Special Orders by using manual or automatic order submissions to the relevant Execution Venue in accordance with the specific instructions of the client.

List of execution venues:

For Exchange Traded Derivatives, NatWest Markets will execute client orders either as a direct member or via a third party broker/dealer or affiliate on the relevant central limit order book of the regulated market³ in which the specific exchange traded derivative is listed to trade.

There does not currently exist alternative markets or liquidity platforms such as 'dark pools' for these products. With regards to best execution obligations, NatWest Markets places significant reliance on the venues listed below to comply with our policy:

Futures		
Region	Venue	Broker/Affiliate/Member
Europe	Eurex Deutschland	Member
	ICE Futures Europe	Member
	Euronext (Paris, Brussels, Lisbon, Amsterdam)	Member
	LME	Broker
	IDEM	Broker
	Nasdaq OMX	Broker
	MEFF	Broker
	Warsaw Stock Exchange	Broker
Americas	CME	Affiliate
	CBOT	Affiliate
	COMEX	Affiliate
	NYMEX	Affiliate
	ICE Futures US	Affiliate
	CFE	Broker
	CBOE	Broker
	The Mexican Derivatives Exchange	Broker
	The Montreal Exchange	Broker
Asia Pacific	Australian Securities Exchange	Broker
	Korea Exchange	Broker
	Osaka Securities Exchange	Broker
	Tokyo Financial Exchange	Broker
	Stock Exchange of Hong Kong	Broker
	Hong Kong Futures Exchange	Broker
	Malaysia Stock Exchange	Broker
	Singapore Exchange	Broker
	New Zealand Stock Exchange	Broker
	Thailand Futures Exchange	Broker
	Taiwan Futures Exchange	Broker

Relevant execution factors:

The most important execution factors NatWest Markets will take into account to obtain Best Execution for client orders in ETD are price, speed of execution and execution volume. The priority of any one of these factors over others will depend on the specific instructions from the client

In liquid ETD markets, regular publicly quoted bids and offers on Execution Venues are more generally available, and so prices are readily accessible. For less liquid ETD markets, publicly quoted bids and offers are not so readily accessible, and so Best Execution is generally achieved by speaking to at least three liquidity providers to ascertain the best available price.

³ 'Market' is a term referring collectively to regulated exchanges and Multilateral Trading Facilities.

Use of third party brokers/dealers or affiliates

NatWest Markets may execute client orders via third-party brokers/dealers or affiliates for a number of reasons, including but not limited to the following: (i) the client may request to place an order in a market where NatWest Markets is not a member; (ii) local regulations in certain jurisdictions may prohibit NatWest Markets from executing the order directly into the market in that jurisdiction or requires NatWest Markets to use an affiliate in that market. Where NatWest Markets engages a third-party broker/dealer or affiliate for order execution, we will determine the ultimate execution venue ourselves (on the basis of section 5 and 6 and/or client instructions), and instruct the other broker/dealer or affiliate accordingly.

Additional information:

NatWest Markets will agree fees and charges for ETD products with the client at the outset of the relationship.

Appendix B – Rates

Products in scope: Cash Bonds
Interest Rate Derivatives
Any other Rates Products

Types of orders received:

Limit Orders are orders from clients to buy or sell a volume of an instrument at a specified limit price.

NatWest Markets will provide Best Execution for Limit Orders by entering the order into its orderbook, monitoring the market until the agreed limit price is achieved or the order is cancelled by the client and attempting to execute the order at the limit price or better for the specified volume and instrument as soon as practicable given market conditions.

Trade at Close Orders are orders from the client to buy or sell a volume of an instrument at the close of business on the relevant market at the closing price.

NatWest Markets will provide Best Execution for Trade at Close Orders by entering the order into its orderbook and executing the order for the specified volume and instrument at the closing price

RFQs and negotiated price transactions:

NatWest Markets will provide Best Execution where applicable for RFQs and negotiated price transactions by using its professional judgement to determine the Best Execution price based on the specifics of the Financial Instrument, the prevailing liquidity and other relevant execution factors.

Relevant execution factors:

The most important execution factors NatWest Markets will take into account to obtain Best Execution for transactions in Cash Bonds, Interest Rate Derivatives and any other Rates products are price, size and speed of execution. The priority of any one of these factors over the others will depend upon the specific instructions from the client. If no instructions are received, NatWest Markets will generally use the following order of priority:

Price. NatWest Markets will use its access to all available liquidity channels to achieve the best price for the client.

Size. NatWest Markets will use its access to all available liquidity channels to attempt to execute the full size of the client transaction given the prevailing market conditions and instructions of the client. NatWest Markets will assume that partial fills are acceptable unless the client indicates otherwise. A partial fill occurs where NatWest Markets is unable, due to market conditions, to satisfy the whole of the client transaction and hence only provides the client with a part of its requested transaction.

Speed. NatWest Markets will endeavour to execute the transaction as soon as is practical given the prevailing market conditions and the instructions of the client.

List of execution venues:

On the basis NatWest Markets trades Interest Rate products on a principal basis, the execution venue will be NatWest Markets. Venues that we frequently use to hedge our own market risk or to source liquidity when executing client orders / transactions as principal may include (but not limited to) the following:

BGC
Bloomberg
BME Senaf
CME
DealerWeb
Eurex
HDAT
ICAP (including WCLK, i-Swap, Global Derivatives)
ICE
Kyte Broking
LSE (including LSEDM and cash markets)
MarketAxess
MTS (including BondVision, MTS Italy and MTS France)
Nasdaq OMX
TradeWeb
Tradition

Appendix C – Credit

Products in scope: Cash Bonds
Asset Backed Products
Any other Credit products

Types of orders received:

Specific Price Orders are orders from clients to buy or sell a volume of an instrument at a specified price.

NatWest Markets will provide Best Execution for Specific Price Orders by entering the order into its orderbook, and sourcing the instrument at the specific price for the specified volume as soon as practicable given market conditions. Where the specific price cannot be achieved in the market (or may only be achieved at a loss to NatWest Markets), NatWest Markets will revert to the client prior to executing the Specific Price Order.

At Best Orders are orders from clients to buy or sell a volume of an instrument at the best price available in the market as soon as practicable.

NatWest Markets will provide Best Execution for At Best Orders by entering the order into its orderbook, sourcing the instrument in the market and attempting to execute the order at the best price available for the specified volume and instrument as soon as practicable given market conditions.

Limit Orders are orders from clients to buy or sell a volume of an instrument at a specified limit price.

NatWest Markets will provide Best Execution for Limit Orders by entering the order into its orderbook, monitoring the market until the agreed limit price is achieved or the order is cancelled by the client and attempting to execute the order at the limit price or better for the specified volume and instrument as soon as practicable given market conditions.

RFQs and negotiated price transactions:

NatWest Markets will provide Best Execution where applicable for RFQs and negotiated price transactions by using its professional judgement to determine the appropriate Best Execution price based on the specifics of the Financial Instrument, the prevailing liquidity and other relevant execution factors.

Relevant execution factors:

The most important execution factors NatWest Markets will take into account to obtain Best Execution for transactions in Cash Bonds, Asset Backed Products and any other Credit products are price, size and speed of execution. The priority of any one of these factors over the others will depend upon the specific instructions from the client. If no instructions are received, NatWest Markets will generally use the following order of priority:

Price. NatWest Markets will use its access to all available liquidity channels to achieve the best price for the client.

Size. NatWest Markets will use its access to all available liquidity channels to attempt to execute the full size of the client transaction given the prevailing market conditions and instructions of the client. NatWest Markets will assume that partial fills are acceptable unless the client indicates otherwise. A partial fill occurs where NatWest Markets is unable, due to market conditions, to satisfy the whole of the client transaction and hence only provides the client with a part of its requested transaction.

Speed. NatWest Markets will endeavour to execute the transaction as soon as is practical given the prevailing market conditions and the instructions of the client.

List of execution venues:

On the basis NatWest Markets trades credit products on a principal basis, the execution venue will be NatWest Markets. Venues that we frequently use to hedge our own market risk or to source liquidity when executing client orders / transactions as principal may include (but not limited to) the following:

Bloomberg
Creditex
EuroTLX
GFI
LSEDM
MarketAxess
Tradeweb



Appendix D – FX Forwards / Swaps

Products in scope: FX Forwards
FX Swaps
Any other FX products (excluding FX Spot and FX Options)

Types of orders received:

At-Best Orders are orders from the client to buy or sell a volume of a currency pair at the best price available as soon as practicable.

NatWest Markets will provide Best Execution for At-Best Orders by entering the order into its internal liquidity aggregator and attempting to execute the order at the best price available for the specified volume and currency pair as soon as practicable given current market conditions.

Limit Orders are orders from the client to buy or sell a volume of a currency pair at a specified limit price. There are two additional types of Limit Orders - Stop Loss Limit Orders and Take Profit Limit Orders:

A Stop Loss Limit Order is an order from the client to buy a volume of a currency pair at a specified limit price above the current market price, or to sell a volume of a currency pair at a specified limit price below the current market price when that Stop Loss price becomes available for trading.

A Take Profit Limit Order is an order from the client to buy a volume of a currency pair at a specified limit price below the current market price or to sell a volume of a currency pair above the current market price when that Take Profit price becomes available for trading.

NatWest Markets will provide Best Execution for Limit Orders either by executing it in the market or by entering the order into its orderbook, monitoring the market until the agreed limit price is achieved or the order is cancelled by the client and attempting to execute the order at the limit price or better for the specified volume and currency pair as soon as practicable given market conditions.

Orders at Fixings are orders from the client to buy or sell a volume of a currency pair at the price determined in a specified Fix.

NatWest Markets will provide Best Execution for Orders at Fixings by entering the order into its internal Fix orderbook and executing the order at the price determined by the Fix, in accordance with internal procedures.

Time Sliced Orders are orders from the client to buy or sell a specific currency pair over a specified time range.

NatWest Markets will provide Best Execution for Time Sliced Orders by attempting to execute a series of trades at the best NatWest Markets price available for the specified volume and currency pair over the time period set out in the client's instructions.

Linked Orders are where the client links two or more Orders to each other.

NatWest Markets will provide Best Execution for Linked Orders by executing the Linked Orders in accordance with the client's specific instructions.

RFQs and negotiated price transactions:

NatWest Markets will provide Best Execution where applicable for RFQs and negotiated price transactions by using its professional judgement to determine the Best Execution price based on the specifics of the Financial Instrument, the prevailing liquidity and other relevant execution factors.

Relevant execution factors:

The most important execution factors NatWest Markets will take into account to obtain Best Execution for transactions in FX Forwards, FX Swaps and any other FX product (excluding FX Spot and FX Options) are price, size and speed of execution. The priority of any one of these factors over the others will depend upon the specific instructions from the client. If no instructions are received, NatWest Markets will generally use the following order of priority:

Price. NatWest Markets will use its access to all available liquidity channels to achieve the best price for the client.

Size. NatWest Markets will use its access to all available liquidity channels to attempt to execute the full size of the client transaction given the prevailing market conditions and instructions of the client. NatWest Markets will assume that partial fills are acceptable unless the client indicates otherwise. A partial fill occurs where NatWest Markets is

unable, due to market conditions, to satisfy the whole of the client transaction and hence only provides the client with a part of its requested transaction.

Speed. NatWest Markets will endeavour to execute the transaction as soon as is practical given the prevailing market conditions and the instructions of the client.

List of execution venues:

On the basis NatWest Markets trades FX products on a principal basis, the execution venue will be NatWest Markets. Venues that we frequently use to hedge our own market risk or to source liquidity when executing client orders / transactions as principal may include (but not limited to) the following:

360T
BGC
Bloomberg
FX Connect
Currenex
FX All
ICAP
Tradition

Appendix E – FX Options

Products in scope: FX Options

Types of orders received:

Spot-Firm Orders are orders from the client to buy or sell an FX options contract when the FX spot rate of the specific currency pair reaches a specified level.

NatWest Markets will provide Best Execution for Spot-Firm Orders by first executing a Limit Order in the FX Spot market at the level specified by the client. Once the FX Spot Limit Order is executed, the client's option contract is transacted taking into account prevailing interest rates, implied volatilities, and other parameters to determine the premium the client will pay or receive.

Premium-Firm Orders are orders from the client to buy or sell an FX Options contract at a specified premium once other market variables (such as the FX Spot rate, interest rate or implied volatility) allow that price to be achieved.

NatWest Markets will provide Best Execution by first executing a Limit Order in the FX Spot market. The level at which the corresponding FX Spot Limit Order is placed will vary as other market variables move, in order to achieve the specified premium of the client's option order. NatWest Markets will make reasonable efforts to place the FX Spot Limit Order so that the client's option order is filled in line with the execution factors below.

RFQs and negotiated price transactions:

NatWest Markets will provide Best Execution where applicable for RFQs and negotiated price transactions by using its professional judgement to determine the Best Execution price based on the specifics of the Financial Instrument, the prevailing liquidity and other relevant execution factors.

Relevant execution factors:

The most important execution factors NatWest Markets will take into account to obtain Best Execution for transactions in FX Options are price, size and speed of execution. The priority of any one of these factors over the others will depend upon the specific instructions from the client. If no instructions are received, NatWest Markets will generally use the following order of priority:

Price. NatWest Markets will use its access to all available liquidity channels to achieve the best price for the client.

Size. NatWest Markets will use its access to all available liquidity channels to attempt to execute the full size of the client transaction given the prevailing market conditions and instructions of the client. NatWest Markets will assume that partial fills are acceptable unless the client indicates otherwise. A partial fill occurs where NatWest Markets is unable, due to market conditions, to satisfy the whole of the client transaction and hence only provides the client with a part of its requested transaction.

Speed. NatWest Markets will endeavour to execute the transaction as soon as is practical given the prevailing market conditions and the instructions of the client.

List of execution venues:

On the basis NatWest Markets trades FX products on a principal basis, the execution venue will be NatWest Markets. Venues that we frequently use to hedge our own market risk or to source liquidity when executing client orders / transactions as principal may include (but not limited to) the following:

BGC
CME
ICAP
Volbroker

Appendix F – Money Market Instruments

Products in scope: Certificates of Deposit
 Commercial Paper
 Structured Deposits
 Any other Money Markets products

Types of orders received:

Limit Orders are orders from clients to buy or sell a volume of an instrument at a specified limit price.

NatWest Markets will provide Best Execution for Limit Orders by entering the order into its orderbook, monitoring the market until the agreed limit price is achieved or the order is cancelled by the client and attempting to execute the order at the limit price or better for the specified volume and instrument as soon as practicable given market conditions.

RFQs and negotiated price transactions:

NatWest Markets will provide Best Execution where applicable for RFQs and negotiated price transactions by using its professional judgement to determine the appropriate Best Execution price based on the specifics of the Financial Instrument, the prevailing liquidity and other relevant execution factors.

Relevant execution factors:

The most important execution factors NatWest Markets will take into account to obtain Best Execution for transactions in Certificates of Deposit, Commercial Paper, Structured Deposits and any other Money Markets products are price, size and speed of execution. The priority of any one of these factors over the others will depend upon any specific instructions from the client. If no instructions are received, NatWest Markets will generally use the following order of priority:

Price. NatWest Markets will use its access to all available liquidity channels to achieve the best price for the client.

Size. NatWest Markets will use its access to all available liquidity channels to attempt to execute the full size of the client transaction given the prevailing market conditions and instructions of the client. NatWest Markets will assume that partial fills are acceptable unless the client indicates otherwise. A partial fill occurs where NatWest Markets is unable, due to market conditions, to satisfy the whole of the client transaction and hence only provides the client with a part of its requested transaction.

Speed. NatWest Markets will endeavour to execute the transaction as soon as is practical given the prevailing market conditions and the instructions of the client.

List of execution venues:

On the basis NatWest Markets trades money market instrument products on a principal basis, the execution venue will be NatWest Markets. Venues that we frequently use to hedge our own market risk or to source liquidity when executing client orders / transactions as principal may include (but not limited to) the following:

360T
Bloomberg
Brokertec
CIMD
GFI
Eurex
MTS
MarketAxess
Tradeweb
Tradition