

Appendices: G - Order Handling Procedures - Open Ended Funds

January 2021





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(I) PURPOSE

This order handling procedures manual provides information on when, where and how Pictet Asset Management (PAM) delivers best execution when it executes or places orders for Open Ended Funds on behalf of Professional Clients.

This manual should be read as a supplement to the PAM Best Execution Policy, which is available from your usual contact, on request.

(II) ORDER GENERATION AND CAPTURE

The best execution process for Open Ended Fund ('Fund') orders starts with the Portfolio Manager placing the order and noting any specific instructions related to the investment.

(III) ORDER HANDLING

The order will be routed and arrive on the OMS blotter of the PAM Fund Execution team, who are responsible for handling the execution of Fund orders. When the order is received, it will either be:

- a. Routed automatically into the Fund Dealing Platform (Calastone) for automatic placement with the Transfer Agent/Custodian. Progress of this order is monitored on a real-time basis by the team.
- b. Claimed by a member of the team, who is then responsible for ensuring the order is notified to the Transfer Agent / Custodian in accordance with the arrangements in place for that Transfer Agent/Custodian, and before the next cut-off time for the Fund. Typically such orders are notified via email or fax.

The execution route (a) or (b) is determined by the ability of the Fund's Custodian/Transfer Agent to receive orders via the Fund Dealing Platform.

(a) Best Execution & Trading Strategy

For Open Ended Funds, the only applicable metric for achieving 'best execution' is the timeliness of the order placement. Transactions will be effected at the appropriate net asset value, with execution certainty being the most important factor.

The cut-off time is determined externally by each Transfer Agent/Custodian, and will either be the official Fund cut-off time, or in some cases earlier. Orders not notified by the cut-off time will be processed for the next NAV publication day. If the intended execution date is not achieved, there is a risk of implementation shortfall.

The cut-off time for each Fund is visible to the Fund Execution Team in the OMS blotter.

The PAM Fund Execution team are therefore responsible for closely monitoring the blotter, showing Portfolio Manager placement time and relevant cut-off time, and ensuring that all orders instructed by a Portfolio Manager before cut-off time reach the Transfer Agent/Custodian for the intended day. The team monitor the status of orders and can assess whether these are pending, accepted or rejected.



During working hours, the OMS blotter is continuously monitored.

(b) Post-Trade Monitoring

All orders are subject to post-trade monitoring. Any executions which do not achieve the intended cut-off date would be highlighted to the Team Manager and be visible to the Portfolio Manager.

(IV) GOVERNANCE & OVERSIGHT

The Head of Middle Office is responsible for the effective performance of the team, and would be made aware of any occasions where the cut-off time for execution was missed and thus the order not executed in line with Portfolio Manager intention. The Head of Middle Office provides input to the Trade Execution Committee, which remains ultimately responsible for the effective oversight of PAM's trade management.

VERSION CONTROL

VERSION NUMBER	DATE	PERSON RESPONSIBLE	RATIONALE FOR CHANGE
1	January 2018	Simon Greaves	Introduction to Policy
2	January 2019	Simon Greaves	Annual Review
3	January 2020	Simon Greaves	Annual Review
4	January 2021	Simon Greaves	Annual Review