J.P. MORGAN: EXECUTION POLICY
Information on J.P. Morgan’s Corporate & Investment Bank Execution Policy for Professional Clients

This document sets out the Execution Policy and approach to providing Best Execution, as required by the Markets in Financial Instruments Directive 2014/65/EU and Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (together MiFID II), the Financial Conduct Authority’s Conduct of Business Sourcebook (the FCA Rules) and the Swiss Financial Services Act (FinSA). Any reference to MiFID II herein shall be interpreted to include UK legislation which implements, amends or replaces Directive 2014/65/EU on MiFID II though the FCA Rules.

The entities that are subject to the Execution Policy are the following: J.P. Morgan Securities plc, J.P. Morgan Europe Limited, J.P. Morgan Chase Bank, National Association London Branch, J.P. Morgan Limited, J.P. Morgan Markets Limited, J.P. Morgan Mansart Management Limited, J.P. Morgan SE and their respective EU branches as well as J.P Morgan Securities plc, Zurich Branch, JPMorgan Chase Bank N.A. Zurich Branch, J.P. Morgan (Suisse) S.A. and J.P. Morgan (Suisse) S.A. Zurich Branch (together J.P. Morgan, we or us).

MiFID II, the FCA Rules and FinSA require J.P. Morgan to take all sufficient steps to obtain the best possible result for its clients (henceforth referred to as client or you), taking into account price, costs, speed, likelihood of execution and settlement, size, nature and/or any other relevant order execution consideration, whether we are executing orders on behalf of clients or placing orders with, or passing orders to, others for execution. This overarching obligation to obtain the best possible result for clients is referred to, in this document, as our obligation of Best Execution.

When executing client orders J.P. Morgan will take into account the following criteria to determine the relative importance of the factors referred to above:

a) the characteristics of the client including the regulatory categorization;
b) the characteristics of the client order;
c) the characteristics of financial instruments that are the subject of that order; and
d) the characteristics of the Execution Venues to which that order can be directed.

2. SCOPE

2.1 This document applies only to clients classified by the Corporate & Investment Bank division of J.P. Morgan as Professional Clients and only to dealings in Financial Instruments (each as defined in MiFID II, the FCA Rules and FinSA). Best Execution is owed when J.P. Morgan accepts an order to execute a transaction on your behalf, or in other circumstances where it has otherwise expressly agreed to accept such Best Execution obligation. When J.P. Morgan provides quotes or negotiates a price with you, as a Professional Client, on request (i.e. dealing on a request for quote or RFQ basis) J.P. Morgan will consider the nature of the instruction with respect to the Four Fold Test published by the European Commission. It will not generally be presumed to be receiving a ‘client order’ as part of a service where Best Execution will apply.

2.2 In determining whether it is able to deal on an RFQ basis J.P. Morgan will consider the nature of the instruction with respect to the Four Fold Test published by the European Commission (described in paragraph 2.3 below). The distinction between your reliance on J.P. Morgan to achieve Best Execution and an RFQ is between:

a) where you are legitimately relying on J.P. Morgan to achieve the execution outcome i.e. for J.P. Morgan to act on your behalf in protecting your interests (an
order); and
b) where you merely request or take a price (an RFQ) and we are not acting on your behalf.

2.3 The Four Fold Test entails the consideration of:

a) which party initiates the transaction;
b) questions of market practice and the existence of a convention to ‘shop around’;
c) the relative levels of price transparency within a market; and
d) the information provided by J.P. Morgan and any agreement reached.

Where the consideration of the above factors concludes that you are not legitimately relying on J.P. Morgan, then Best Execution will not apply.

2.4 The information below sets out general information with respect to our approach to Best Execution. It is supplemented by appendices with detailed information with respect to the following products:

a) Appendix 1 – List of Execution Venues
b) Appendix 2 – EMEA Cash Equities Execution Policy
c) Appendix 3 – EMEA Exchange Traded Derivatives (ETD) Execution Policy
d) Appendix 4 – EMEA Securities Services Execution Policy
e) Appendix 5 – EMEA Fixed Income, Currency, Commodities and OTC Equity Derivatives Execution Policy
f) Appendix 6 – J.P. Morgan Mansart Execution Policy

Additional appendices may be included from time to time.

3. BEST EXECUTION OBLIGATION AND RELEVANT FACTORS

3.1 As set out above when executing orders on your behalf in relation to Financial Instruments, J.P. Morgan will take all sufficient steps to achieve Best Execution. J.P. Morgan has in place a policy and processes which are designed to obtain the best possible execution result on a consistent basis, subject to and taking into account the Financial Instrument subject to the nature of your orders, the execution venues available (on reasonable commercial terms) for such Financial Instruments and the priorities you place upon J.P. Morgan executing those orders. The policy and processes provide, in J.P. Morgan’s view, the best balance across a range of sometimes conflicting factors.

3.2 J.P. Morgan will take into consideration a range of different factors when determining how to obtain the best possible result for orders executed on your behalf, including price, the need for timely execution, availability of price improvement, the liquidity of the market (which may make it difficult to execute an order), potential price impact, the size of the order, the nature of the financial transaction (including whether or not such transactions are executable on a regulated market, over-the-counter, or via either route) and the quality and cost effectiveness of any related clearing and settlement facilities.

4. EXECUTION VENUES

4.1 This Execution Policy includes, for each Financial Instrument in which we execute orders on your behalf, those venues that we consider enable us to obtain on a consistent basis Best Execution. These venues are listed in the following document: List of Execution Venues – Appendix 1.

4.2 Those possible execution Venues include, as appropriate for each product: regulated markets, multilateral trading facilities, organised trading facilitates, Systematic Internalisers, market makers and other liquidity providers (including J.P. Morgan and its
affiliates acting as principal). Selection of additional venues includes consideration of factors such as liquidity and price offered, credit and settlement risk, realized performance (latency, liquidity, price improvement, Fill Rates, pricing analysis), commercial positioning, market mechanism, resilience and reliability. J.P. Morgan will, on request, provide further details to you of the execution venues included in our Execution Policy.

4.3 J.P. Morgan may also transmit your order for execution to another broker or dealer (which may be located outside of the European Economic Area (EEA) and could include both affiliate entities and / or third party brokers), in which case we will either determine the ultimate execution venue ourselves on the basis described above, and instruct the other broker or dealer accordingly, or we will satisfy ourselves that the other broker or dealer has arrangements in place to enable us to comply with our Best Execution obligations to you.

4.4 J.P. Morgan will also take steps to not structure or charge J.P. Morgan’s commissions in such a way as to discriminate unfairly between execution venues.

4.5 For certain Financial Instruments and/or when executing as principal, J.P. Morgan may determine that it can comply with its Best Execution obligation by solely using J.P. Morgan and its affiliates.

5. **SPECIFIC INSTRUCTIONS**

5.1 Where you give us specific instructions, including specifying the characteristics of a bespoke product, either relating to an order or a particular aspect of an order, we will execute so far as is reasonably possible in accordance with those instructions. However specifics of the instruction may prevent us from taking the steps that we have put in place to obtain the best possible result for the execution of your orders with respect to the elements impacted by such specific instructions. Notwithstanding this, where you give us a specific instruction which covers one part or aspect of the order, this will not release us from our Best Execution obligations in respect of any other part or aspect of your order that is not covered by such instructions. For example, where you choose to execute an order via a J.P. Morgan Direct Market Access (DMA) system, you will select certain parameters of the trade, in such cases J.P. Morgan will be treated as having satisfied its duty of Best Execution only in respect of those parameters specified by you.

5.2 In the absence of express instructions from you J.P. Morgan will exercise its own discretion, having regard for the terms of your order in determining the factors that it needs to take into account for the purpose of providing you with Best Execution.

6. **MONITORING AND REVIEW**

6.1 J.P. Morgan will monitor the effectiveness of its execution arrangements and the Execution Policy and assess on a regular basis whether the execution venues it has selected provide for the best possible result for orders it executes on your behalf.

6.2 J.P. Morgan will review this Execution Policy, including its appendices, and its order execution arrangements at least annually. J.P. Morgan will also notify you of any material changes to its order execution arrangements or this Execution Policy; such notification may be made via the J.P. Morgan website at this [link](#).

If you wish to discuss the application of Best Execution to your trades with JP Morgan please contact your usual Sales representative.
**ANNEX A – GLOSSARY OF TERMS**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best Execution</td>
<td>The obligation to obtain, when executing orders, the best possible result for our clients taking into account the relevant execution factors.</td>
</tr>
<tr>
<td>Execution Venues</td>
<td>Execution venues include Regulated Markets, Multilateral Trading Facilities, Organised Trading Facilities (not applicable to equity instruments), Systematic Internalisers, Market Makers and Liquidity Providers.</td>
</tr>
<tr>
<td>FCA Rules</td>
<td>The Financial Conduct Authority’s Conduct of Business Sourcebook.</td>
</tr>
<tr>
<td>Fill Rate</td>
<td>For aggressive / marketable orders: the average ratio of the volume executed on our orders over the liquidity available at the time of sending the order according to the prevailing market data.</td>
</tr>
<tr>
<td>Financial Instruments</td>
<td>As defined by the Markets in Financial Instruments Directive 2014/65/EU in Annex I Section C or the Swiss Financial Services Act in Article 3, as applicable.</td>
</tr>
<tr>
<td>FinSA</td>
<td>The Swiss Financial Services Act.</td>
</tr>
<tr>
<td>MiFID</td>
<td>The Markets in Financial Instruments Directive 2014/65/EU.</td>
</tr>
<tr>
<td>MiFID II</td>
<td>Collective name for MiFID/MiFIR.</td>
</tr>
<tr>
<td>Systematic Internaliser</td>
<td>An investment firm which, on an organised, frequent, systematic and substantial basis, deals on own account when executing client orders outside a regulated market or MTF.</td>
</tr>
</tbody>
</table>