

# Information about the execution of securities transactions by Zuger Kantonalbank

## 1 Objective and purpose

This information sheet explains how the bank executes client orders in order to ensure best execution.

By providing this information, Zuger Kantonalbank is implementing the regulatory provisions in Switzerland (Federal Act on Financial Services, FinSA). It strives to ensure the best execution of client orders.

Zuger Kantonalbank's Custody Account Regulations set out the basic principles that apply to securities transactions.

## 2 Scope of application of best execution

### 2.1 What does best execution mean?

Best execution requires the Bank (or third parties, such as brokers, etc.) to institute all appropriate measures that are needed to achieve the best possible result for clients, in terms of both price and quality, when executing the clients' orders.

### 2.2 Application of best execution

The requirement of best execution of client orders applies to the execution or transmission of orders which the client issues to the Bank for the purpose of acquiring or selling the following financial instruments (this list is not exhaustive):

- Listed shares, rights
- Exchange-traded funds (e.g. ETF or real estate funds)
- Bonds and money market instruments
- Securitised derivatives
- Structured products
- Non-securitised and standardised forward contracts and options traded on a stock exchange (ETD)

The requirement of best execution also applies when the Bank, in the fulfilment of its obligations under an asset management agreement with the client, acquires or sells financial instruments on behalf of the client.

### 2.3 No application of best execution

The Bank is not bound by the requirement of best execution in the following cases:

- Primary market transactions
- Explicit instructions by the client that the best execution requirement shall not apply or cannot be upheld

## 3 Important information about the Bank's securities trading procedures

### 3.1 Service hours for order placement

Telephone orders can be given to Zuger Kantonalbank between 8.00 a.m. and 5.45 p.m.

Orders via electronic channels can be placed around the clock.

### 3.2 Order execution / forwarding to the respective trading platforms

Orders are forwarded to the respective trading platforms between 8.00 a.m. and 5.45 p.m. Outside these hours it is possible that a client order cannot be forwarded in a timely manner to the stock exchange in question. The same applies outside the trading hours of the Swiss stock exchange.

### 3.3 Orders with a countervalue of more than CHF 500,000

As of a countervalue of CHF 500,000 per transaction (TRX), order execution is automatically blocked for security reasons and the order is not transmitted directly to the stock exchange in question.

Outside service hours, this may mean that the transaction will only be forwarded for execution on the next official working day.

Bilateral agreements concerning trading in securities and trading conventions between financial institutions or with professional clients (FinSA) may result in different conditions being applied.

Furthermore, the opening hours of the relevant trading platforms or trading systems must be taken into account.

### 3.4 Execution venues

The Bank executes client orders for specific financial instruments at the following venues:

- Stock exchanges and regulated markets
- Multilateral trading facilities (MTF)<sup>1</sup>
- Organised trading facilities (OTF)<sup>2</sup>
- Market makers
- Brokers and other providers of liquidity

The principal execution venues by security type are listed in the following overview (this list is not exhaustive):

Security type	Principal execution venues
<b>Equities</b>	<p><b>Switzerland:</b> SIX Swiss Exchange, BX Swiss AG, Turquoise, other MTF</p> <p><b>Europe:</b> Xetra Frankfurt, LSE London Stock Exchange, SETS, Euronext Amsterdam, Euronext Paris, Euronext Brussels, Euronext Oslo SE, BME Bolsas y Mercados Españoles – Renta Variable, Mercato Continuo Italiano, Deutsche Börse AG, Wiener Börse AG, IOB London</p> <p><b>North America:</b> NYSE, NASDAQ, Toronto Stock Exchange, TSX Venture Exchange</p> <p><b>Asia:</b> Tokyo Stock Exchange, Hong Kong Exchanges and Clearing Ltd.</p> <p><b>Other:</b> ICE Futures Europe – Liffe, Equity Products, SETSqx, ASX, OTC</p>

Security type	Principal execution venues
<b>Rights</b>	<b>Switzerland:</b> SIX Swiss Exchange
<b>Bonds (incl. convertible bonds)</b>	<p><b>Switzerland:</b> SIX Swiss Exchange</p> <p><b>Europe:</b> LSE London Stock Exchange, SETS, Deutsche Börse AG, Börse Stuttgart GmbH, Börse Berlin</p> <p><b>Other:</b> TRAX, OTC</p>
<b>Investment funds</b>	<p><b>Switzerland:</b> SIX Swiss Exchange</p> <p><b>Europe:</b> LSE London Stock Exchange, SETS, LSE London Stock Exchange, Exchange Traded Funds, Multicurrency, Deutsche Börsen Indizes und Xetra, Deutsche Börse AG, Mercato Continuo Italiano</p> <p><b>North America:</b> NYSE Arca, NASDAQ</p> <p><b>Other:</b> Primary market and OTC</p>
<b>Structured products (incl. certificates and warrants)</b>	<p><b>Switzerland:</b> SIX Swiss Exchange</p> <p><b>Europe:</b> Euwax, LSE London Stock Exchange, SETS, Euronext Paris, Börse Frankfurt Zertifikate AG, SETSqx</p> <p><b>North America:</b> NYSE and NASDAQ</p> <p><b>Other:</b> Primary market and OTC</p>
<b>ETD (options)</b>	<p><b>Switzerland and Europe:</b> Eurex Deutschland, CE Futures Europe – Liffe, Equity Products, Euronext Paris MONEP, Equity and Index Derivatives</p> <p><b>Other:</b> OTC</p>
<b>Futures</b>	Eurex Deutschland

<sup>1</sup> MTFs are regulated electronic trading platforms in addition to traditional stock exchanges. Examples are Cboe Europe (previously BATS/Chi-X) and Turquoise.

<sup>2</sup> According to the Financial Market Infrastructure Act (FinMIA), OTF are not deemed to be trading venues.