

SMBC Bank EU AG

Legal entity identifier (LEI): 967600700UF5YB3QPR03

Top Five Execution Venues

SMBC Bank EU AG	CLASS_OF_INSTRUMENT	Notification if <1 average trade per business day in the previous year	Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SMBC Bank EU AG (967600700UF5YB3QPR03)	currency_derivatives:swaps_forwards_and_other_currency_derivatives	N	SMBC Bank	93.17%	89.56%	N/A	N/A	N/A
SMBC Bank EU AG (967600700UF5YB3QPR03)	currency_derivatives:swaps_forwards_and_other_currency_derivatives	N	FXALL	3.25%	8.28%	N/A	N/A	N/A
SMBC Bank EU AG (967600700UF5YB3QPR03)	currency_derivatives:swaps_forwards_and_other_currency_derivatives	N	Bloomberg	3.58%	2.16%	N/A	N/A	N/A

Summary of Monitoring

Class of Financial Instrument and Currency Derivatives

(a) An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.

Please refer to the SMBC Bank EU AG Order Execution Policy (which is part of the SMBC EU Investment Business Information Pack and can be found on our website) for an explanation of the relative importance SMBC Bank EU AG gives to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.

SMBC Bank EU AG takes into consideration the below execution factors when assessing the quality of execution:

- Price – the price at which a financial instrument is executed
- Cost of execution – the implicit cost such as the possible market impact, explicit external costs e.g., exchange or clearing fees and explicit internal costs which represent our own remuneration through commission or spread
- Speed of execution – the time it takes to execute a client transaction
- Size of the order – the size of the transaction executed for a client accounting for how this affects the price of execution
- Nature of the transaction and/or market – the characteristics of a client transaction can affect how Best Execution is received
- Likelihood of execution and settlement – the likelihood that we will be able to complete a client transaction and the likelihood that the transaction settles
- Creditworthiness of the counterparties

For Professional Clients and, generally, for all products where Best Execution applies, we consider that the price is the most important factor. However there may be some circumstances, when coming to our determination of the priority of such execution factors, that a variety of criteria are taken into account which may include, but are not limited to, the type of financial instrument that is the subject of the order, the type of order and its specific characteristics, such as the size of the order or the liquidity of the underlying, as well as the execution venues to which the order could be directed. Appropriate consideration will be made based on a transaction-by-transaction basis and will vary by asset class.

(b) A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.

SMBC Bank EU AG does not have any “close links”, interests or co-ownerships, in respect to third-party execution venues. Any conflicts of interest that may arise from time to time will be managed in accordance with the Conflicts of Interest Policy.

(c) A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

SMBC Bank EU AG’s FX derivative business is undertaken over the counter (OTC) and through selected trading venues. For FX derivative business conducted OTC SMBC Bank EU AG is always the execution venue. Regarding FX derivatives transacted through trading venues SMBC Bank EU AG does not have any arrangements in place with the execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

All SMBC Bank EU AG’s interest rate derivative business is undertaken OTC and SMBC Bank EU AG is the execution venue.

(d) An explanation of the factors that led to a change in the list of execution venues listed in the firm’s execution policy, if such a change occurred.

A list of the execution venues and the factors for choosing such venues is detailed in SMBC Group Order Execution Policy.

(e) An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements.

Professional Clients

In SMBC Bank EU AG, Best Execution will be provided to all Professional Clients.

Retail Clients

SMBC Bank EU AG is authorised to transact with Retail Clients, however for the period 1 January 2023 to 31 December 2023 SMBC Bank EU AG did not undertake any investment business with Retail Clients.

(f) An explanation of whether other criteria were given precedence over immediate price and cost when executing Retail Client orders and how these other criteria were instrumental in delivering the best possible business result in terms of the total consideration to the client.

Not applicable.

(g) An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575 to be inserted before publication [RTS 27].

SMBC Bank EU AG has in place a post execution monitoring framework which utilises market data to assess client transactions against an internal pricing framework. Monitoring is undertaken via a best execution monitoring system.

(h) Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not applicable.

30 April 2024**RTS 28****Publication of information on the identity of execution venues and on the quality of execution
Year ending 31 December 2023**

The information herein is provided by SMBC Bank EU AG ("SMBC EU"), in connection with the requirements of Commission Delegated Regulation (EU) 2017/576 ("RTS 28") for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

This RTS 28 Report is for the calendar year ending 31 December 2023 and is based on certain assumptions and interpretations made in good faith.

The following matters should be noted in connection with this RTS 28 Report:

- SMBC EU only executes transactions and orders on behalf of Professional Clients and the Eligible Counterparties which are subject to its Order Execution Policy.
- SMBC EU does not currently execute transactions directly for or transmit orders on behalf of Retail Clients.
- During 2023, in connection with RTS 28, only the following classes of financial instruments are deemed to be in scope:
 - (i) Equities – shares and depository receipts;
 - (ii) Debt instruments (bonds and money market instruments);

Should you have any queries please do not hesitate to contact your usual front office representative who will be able to direct your query to the appropriate Compliance person benefits, which are otherwise not available to other parties using them.

RTS 28 Equities – Shares and depository receipts

In order to access Japanese exchanges and markets in relation to Japanese equities, consistent with its Order Execution Policy, SMBC EU has execution agreements with SMBC Nikko Capital Markets Limited (“CM Ltd”) as well as SMBC Nikko Securities Inc. (“SMBC Nikko”), a Japanese-based affiliate which shall typically use one or more of the Japanese execution venues to execute orders. Consequently, in this report SMBC EU is reporting the Top Five Execution Venues, and the Top Five Execution Brokers. Further details of the ultimate execution venue accessed by SMBC EU’s brokers are available to clients on request from their SMBC EU representative.

The data provided below is reflective of trading activity undertaken within the relevant reporting period.

RTS 28 Execution Venue Report

Class of Instrument		Execution Venue Report - Equity financial instruments - Tick size 1 & 2				
Notification if <1 average trade per business day in the previous year (Y/N)		Y				
Top five execution venues ranked in terms of trading volumes (desc)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	
SMBC Nikko Capital Markets Limited (LEI: G7WFA3G3MT5YHH8CHG81)	100%	100%	Information not applicable	Information not applicable	Information not applicable	

Assumptions / Limitations:

* Data includes all client activity undertaken with Professional Clients and (where it cannot be excluded), some Eligible Counterparties.

* Data for passive orders, aggressive orders and directed orders is not available for 2023. Where transactions are executed as principal with SMBC EU this is stated as "not applicable".

Article 65 (6) Execution Broker Report

Class of Instrument		Broker Report - Equity financial instruments - Tick size 1 & 2				
Notification if <1 average trade per business day in the previous year (Y/N)		N				
Top five execution venues ranked in terms of trading volumes (desc)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	
SMBC Nikko Securities Inc. (LEI: 549300HK4TT500CL437)	100%	100%	Information not available	Information not available	Information not applicable	

Assumptions / Limitations:

* Data includes all client activity undertaken with Professional Clients and (where it cannot be excluded), some Eligible Counterparties.

* Data for passive orders, aggressive orders and directed orders is not available for 2023. Where transactions are executed as principal with SMBC EU this is stated as "not applicable".

Quality of Execution Summary (RTS 28 Article 3(3)):

- Please refer to the Order Execution Policy (available on SMBC EU website) for an explanation of the relative importance SMBC EU gives to the execution factors of price, costs, speed and likelihood of execution or any other consideration, including qualitative factors when assessing the quality of execution.
- The Order Execution Policy also provides details of the factors affecting choice of execution venue and the treatment of execution of orders for different client categorisations.
- Execution venues used by Nikko Tokyo are included in the Order Execution Policy. There were no changes to this list during the year ending 31 December 2023. Details of the ultimate execution venues used are available on request.
- SMBC EU has “close links” with CM Ltd which is part of the same financial group and also with SMBC Nikko Securities Inc., which is its majority shareholder and part of the same financial group. SMBC Nikko Securities Inc. holds 3.65% shares of the Japan Exchange Group, Inc. which is a parent company of Tokyo Stock Exchange.
- SMBC EU was not a member of any exchanges or other regulated markets, nor was it a Systematic Internaliser in any class of shares or depository receipts for the disclosure period. For the purposes of gaining access to Japanese exchanges and markets in relation to Japanese equities, SMBC EU has entered into execution agreements with SMBC Nikko Securities Inc.
- The quality of execution is monitored and reviewed using a variety of data sources and going forward data published under Commission Delegated Regulation (EU) 2017/575 of 8 June 2017 (“RTS 27”).
- SMBC EU deals with third-party execution venues on an arms-length basis and, to its knowledge there are no specific financial arrangements in relation to dealings with these execution venues, payments, discounts, rebates or non-monetary

RTS 28 Debt Instruments – Bonds and Money Market Instruments

From 1 April 2023, SMBC EU became a Systematic Internaliser in certain debt instruments (please refer to the Order Execution Policy for more details). For the purposes of this RTS 28 report, the execution data for SMBC EU's SI and non-SI status has not been separately presented, however it would be available on request.

There are no broker data reported below, as SMBC EU, during the relevant reporting period did not transmit orders to brokers.

RTS 28 Execution Venue Report

Class of Instrument	Debt instruments: Bonds				
Notification if <1 average trade per business day in the previous year (Y/N)	N				
Top five execution venues ranked in terms of trading volumes (desc)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
MARKETAXESS CORPORATION (MIC: MTXX)	74.67413	74.581	Information not available	Information not available	Information not applicable
BLOOMBERG TRADING FACILITY B.V. (MIC: BTFE)	12.43619	0.63762	Information not available	Information not available	Information not applicable
SMBC BANK EU AG - SYSTEMATIC INTERNALISER (MIC: SMFF)	8.42899	17.60716	Information not available	Information not available	Information not applicable
TRADEWEB EU BV - MTF (MIC: TWEM)	2.21878	6.95834	Information not available	Information not available	Information not applicable
MARKETAXESS NL B.V. (MIC: MANL)	1.51365	0.0366	Information not available	Information not available	Information not applicable

Assumptions / Limitations:

* Data includes all client activity undertaken with Professional Clients and (where it cannot be excluded), some Eligible Counterparties.

* Data for passive orders, aggressive orders and directed orders is not available for 2023. Where transactions are executed as principal with SMBC EU this is stated as "not applicable".

Class of Instrument	Debt instruments: Money market instruments				
Notification if <1 average trade per business day in the previous year (Y/N)	N				
Top five execution venues ranked in terms of trading volumes (desc)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SMBC BANK EU AG (LEI: 967600700UF5YB3QPR03)	79.61768	80.51104	Information not available	Information not available	Information not applicable
TRADEWEB EU BV - MTF (MIC: TWEM)	10.06001	11.77342	Information not available	Information not available	Information not applicable
SMBC BANK EU AG - SYSTEMATIC INTERNALISER (MIC: SMFF)	4.32673	4.47451	Information not available	Information not available	Information not applicable
TRADEWEB JAPAN KK - PTS (MIC: TWJP)	2.74335	3.21616	Information not available	Information not available	Information not applicable
BLOOMBERG TRADING FACILITY B.V. (MIC: BTFE)	2.65473	0.02033	Information not available	Information not available	Information not applicable

Assumptions / Limitations:

* Data includes all client activity undertaken with Professional Clients and (where it cannot be excluded), some Eligible Counterparties.

* Data for passive orders, aggressive orders and directed orders is not available for 2023. Where transactions are executed as principal with SMBC EU this is stated as "not applicable".

Qualitative Disclosure (RTS 28 Article 3(3)):

- Please refer to our Order Execution Policy (available on SMBC EU website) for an explanation of the relative importance SMBC EU gives to the execution factors of price, costs, speed, and likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.

SMBC NIKKO CAPITAL MARKETS LIMITED

- The Order Execution Policy also provides details of the factors affecting choice of execution venue and the treatment of execution of orders for different client categorisations.
- Execution Venues used by SMBC EU are included in the Order Execution Policy. There were no changes to this list during the year ending 31 December 2023.
- SMBC EU does not believe it has any “close links” as defined by MiFID II or any interests or co-ownerships in respect to the third-party execution venues, and any conflicts of interest that may arise from time to time will be managed in accordance with the Conflicts of Interest Policy.
- In accordance with our Order Execution Policy, debt instruments are typically executed by way of a “Request for Quote” and may be executed by SMBC EU as principal or through a range of execution venues. The quality of execution by SMBC EU is monitored and reviewed using a variety of data sources and going forward data published under Commission Delegated Regulation (EU) 2017/575 of 8 June 2017 (“RTS 27”).
- SMBC EU deals with third-party execution venues on an arms-length basis and, to its knowledge, there are no specific financial arrangements in relation to dealings with these execution venues, payments, discounts, rebates or non-monetary benefits, which are otherwise not available to other parties using them.