

# Order Execution Policy

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## 1. INTRODUCTION

### 1.1. Purpose

This Order Execution Policy (“**Policy**”), sets out information and the approach to providing best execution, as required by rules that are applicable to Instinet Europe Limited (“IEL”). For the purposes of the Policy, **Instinet**” or the “**Firm**” means IEL.

Best execution is the requirement to take all sufficient steps to obtain, when executing orders, the ‘best possible result’ for clients, taking into account price, cost, speed, likelihood of execution and settlement, size, nature or/any other factor (see **Section 4 Execution Factors**) relevant for the execution of a client order or any scenario where a client places legitimate reliance on IEL to protect their interests.

IEL does not owe clients any fiduciary responsibilities as a result of the matters set out in this Policy.

### 1.2. Accessibility and Consent

This Policy is available on the Instinet website<sup>1</sup> and distributed as part of the client on-boarding process. All clients are deemed to have consented to this Policy upon placing their first order with Instinet. Should IEL’s execution arrangements result in a ‘material change’ which affects the relative importance given to each execution factor, then updates to this Policy will be made available on the Instinet website, or clients will be notified by email or similar means.

This Policy is subject to periodic review and will be updated on Instinet’s website [www.instinnet.com/legalregulatory](https://www.instinnet.com/legalregulatory) from time-to-time.

## 2. SCOPE

### 2.1. Client Orders

For the purposes of this Policy, IEL operates as an agency broker performing investment services related to the execution of orders on behalf of clients whom have been classified by IEL as either **Professional Clients** or **Eligible Counterparties** (the latter of which IEL does not normally owe a duty of best execution)<sup>2</sup>. This Policy does not apply to transactions which are only booked to IEL, but where the client facing activities (such as agreeing the terms of the transaction) are carried out exclusively by employees of an affiliate or branch established outside the United Kingdom.

For the avoidance of doubt, IEL does not deal on its own account as a Systematic Internaliser (‘SI’).

### 2.2. Classes of Financial Instruments

IEL executes orders primarily in the following classes of financial instruments as defined under MiFID II:

- Equities – Shares, Depository Receipts

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<sup>1</sup> <https://www.instinnet.com/legal-regulatory>

<sup>2</sup> IEL does not execute orders for Retail Clients.

- Exchange traded products (including Exchange traded funds, Exchange traded notes and Exchange traded commodities)
- Derivatives – Warrants, Certificate Derivatives and Futures admitted to trading on a trading venue.

Subject to its regulatory permissions, IEL will execute orders in other classes of financial instruments when required, in order to fulfil client orders.

### **2.3. Specific Instructions**

All orders submitted to IEL must contain at least a symbol identifier, a quantity of shares (or notional value), and a side (e.g. buy or sell). Clients may provide specific instructions depending on the order type (see section 3 below). IEL does not ordinarily aggregate client orders unless it has received express consent to do so.

Where a client provides specific instructions in relation to one or more execution factor or a particular execution aspect (such as the execution venue, price, time or strategy), IEL will be deemed to have taken all sufficient steps when executing the order in accordance with those instructions, and will have no further best execution obligations to the extent of any specific instruction. In respect of those aspects of the order not covered by a specific instruction, IEL will apply this Policy accordingly.

Where a client provides specific instructions in relation to one or more execution factor or a particular execution aspect, this may prevent IEL from taking some or all of the steps in this Policy that are designed to obtain the best possible result for the execution of client orders in respect of the elements covered by those instructions.

### **2.4. Market Conditions**

Where IEL receives a client order that it estimates is potentially unsuitable in light of prevailing market conditions, as well as taking into account the characteristics of the order, efforts will be made to contact the client and identify alternative execution options; otherwise IEL reserves the right not to execute the order, or to adjust the instructions or parameters to comply with market integrity obligations and its duties under this Policy.

'Stop order' instructions will be accepted on a best efforts basis only.

### **2.5. Matters Outside IEL's Control**

In some cases, whether as result of a system failure, disrupted markets or otherwise, it may be necessary to execute your orders in a different manner to that documented in this Policy. In such circumstances IEL will seek to achieve the best possible result available to clients under the prevailing circumstances and in accordance with this Policy. In such circumstances IEL will notify clients whose orders may be affected.

## **3. ORDER TYPES**

IEL accepts different order types based on the mechanism used by clients to send orders. The method of sending orders determines the extent of any discretion that IEL is able to apply and when best execution is owed.

### **3.1. DEA Orders**

Direct Electronic Access ('DEA') orders (including Direct Market Access ("DMA") and Sponsored Access ("SA")) are deemed to constitute a complete specific instruction and therefore IEL does not owe any best execution duties in relation to such orders.

### 3.2. Algorithmic Orders

Clients may directly access Instinet's suite of algorithmic trading products ('algorithms'). These are divided into three types:

- 1) **Smart Order Router ("SOR")**: clients sending orders via Instinet's SOR must specify either a limit or a market price together with certain other parameters. Any parameters not fully specified by the client will be at Instinet's discretion, and subject to best execution obligations.
- 2) **Conditional orders ("COM")**: clients sending Indications of Interest ("IOI"s) or Request For Quotes ("RFQ"s) via COM must specify a strategy together with certain other parameters. If an execution opportunity is found, the COM may request the client to follow up with a firm order. IOIs and RFQs are not strictly subject to best execution obligations unless backed by a firm order; however, IEL will take reasonable steps to act in a client's best interest when managing IOIs or RFQs. Any firm orders sent may be subject to best execution obligations depending on the nature of the instructions sent.
- 3) **Execution Experts® ("Experts") orders**: clients sending orders via Instinet's Experts algorithms may select from a range of strategies to address different trading objectives, each with multiple parameters and customisation options. Experts strategies fall into three broad categories:
  - i. benchmark strategies: orders with explicit benchmarks, such as VWAP or Target Close; ii. participation strategies: orders targeting a percentage of market volume; and,
  - iii. liquidity-driven strategies: orders designed to maximise liquidity.

Algorithms may divide client 'parent' orders into multiple 'child' orders. IEL may owe a duty of best execution to clients in relation to both parent and child orders depending on the algorithm and parameters chosen.

### 3.3. Worked Orders

Best execution may be owed in respect of worked orders that are sent to IEL's coverage team with whom specific instructions and trading strategies can be arranged. IEL's coverage team will generally take into account the characteristics of the order to determine the relevant execution factors. IEL's coverage team will execute client orders using their discretion, unless discretion has not been permitted by the client. IEL shall take all sufficient steps to execute the order and may use Instinet's SOR, Experts algorithms, affiliate or third-party brokers, or DEA routes. This may include executing client orders outside of a public trading venue where clients have given IEL consent.

## 4. EXECUTION FACTORS

In situations where clients provide no specific execution instructions IEL will generally give priority to the following execution factors: Price, Size, and Speed of execution. The remaining execution factors (cost, likelihood of execution and other factors relevant to the efficient execution of an order) are generally given equal ranking.

In determining the relative importance given to each execution factor, IEL will generally take into account the following characteristics of an order where a duty of best execution is owed;

- the regulatory client classification;
- the characteristics of the order;
- the characteristics of the financial instrument; and
- the characteristics of the execution venue(s).

#### 4.1. Expert Algorithm Execution Factors

Instinet's Experts algorithms use a multi-phase approach when submitting orders to execution venues and brokers after taking into account a range of execution factors. The main execution factors, include, but are not limited to:

- **Immediate price** – comparison of the price at which trades are executed with the consolidated best bid/offer or with recent prices across eligible venues at the time;
- **Market impact** – the effect of executions on a venue upon subsequent market prices, measured over seconds and/or minutes, relative to the average or typical move;
- **Timing and speed of execution** – a measurement of time that elapses between the algorithm making the trading decision and the venue's response, measured in milliseconds or microseconds;
- **Likelihood of execution** – an evaluation of achieved versus possible fill rates, using different measurement techniques depending on the phase;
- **Cost** – the trading fees for a venue including settlement.

#### 4.2. SOR Orders

Clients choosing to submit orders to Instinet's SOR are able to select a range of SOR strategies and customisation options. If no strategy is selected then a default strategy applies to the order.

Instinet's SOR uses a multi-phase approach to access liquidity depending on the marketability of the order, client preferences and the characteristics of the execution venue depending on the algorithm and parameters selected by the client. For marketable orders the sequence of phases is as follows:

**Mid phase:** the SOR looks for mid-point liquidity by sequentially sending orders to various dark and alternative venues, using 'Immediate-or-Cancel' orders with mid-peg and a minimum fill size. Greater priority is given to price and speed.

- **All-or-None phase**<sup>2</sup>: the SOR assesses whether there are visible SI quotes or alternative venues available where it can complete the full size without affecting lit order books. Greater priority is given to price and market impact.
- **Spray phase:** the SOR assesses lit order books and takes liquidity from them as simultaneously as possible with 'Immediate-or-Cancel' orders. Greater priority is given to price and cost.

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<sup>2</sup> Instinet's SOR will execute the order on the BlockMatch trade venue on an All-or-None (100% minimum fill size) and a Most-or-None (25% minimum fill size) basis; the latter is used when interacting with other Instinet agency algo flow resting on BlockMatch.

- **Post phase:** if a portion of an order remains unexecuted due to a limit price, or the SOR receives a non-marketable order, it will post the remainder on one or more venues, depending on the strategy. Greater priority is given to likelihood of execution and cost.

The SOR may also perform the following actions:

- **Pullback:** if an order posted on one venue becomes marketable elsewhere, the SOR will pull back the appropriate quantity and follow the spray phase logic above.
- **Revisions:** if a non-marketable order is revised to become marketable, the SOR will follow all phases as above when managing the revision.
- **Auctions:** if an order is sent during an auction call phase of the security's primary market, the SOR will send the order to that venue. If the order is not fully executed due to a limit price, it will then follow the post phase logic above. If an order is posted on a venue other than the primary market and the primary market enters an auction call phase, the SOR will pull back the order from its resting venue and send the order to the primary market.

#### 4.3. Conditional Orders

Clients accessing Instinet's COM are able to select a range of strategies, which may involve selecting specific execution venues, counterparties or dissemination options for the conditional message.

Depending on the strategy, multiple phases may be used involving the following actions:

- **IOIs/RFQs:** the COM sends conditional messages to one or more venues, using a staggered sequence where appropriate. If a potential match is found, the COM may request the client to follow up with a firm order, and may instruct that specific parameters are sent. Greater priority is given to immediate price and likelihood of execution.

It should be noted that visibility of IOIs and RFQs may vary depending on the execution venue or platform accessed by IEL. Subject to any specific client instructions, IEL may use its discretion to send messages to appropriate targets to determine the best possible result for a client.

#### 4.4. Benchmark and Participation Strategies

Client orders sent to Instinet's Experts' benchmark and participation strategies may be sliced into smaller orders at the discretion of the algorithm. Analytics used may involve historical volume patterns as well as dynamic real-time market data. It should be noted that benchmark and participation strategies can also be set to employ an additional liquidity-seeking element if desired.

Depending on the strategy, multiple phases may be used involving the following actions:

- **Aggressive orders:** Experts may send marketable orders in order to achieve the strategy objectives.
- **Passive lit orders:** Experts may place resting orders on lit venues based on a real-time analytics model.
- **Opportunistic orders:** Experts may at times place resting orders on one or more alternative venues to improve benchmark tracking or participation target.

For SOR selected strategies the relative priority is described above in section 4.2.

#### **4.5. Liquidity-driven Strategies**

Orders sent to Instinet's Experts' liquidity-driven algorithms such as WORK or Nighthawk may access a wider range of venues than orders sent to benchmark-tracking algorithms. These algorithms do not follow set schedules but aim to maximise liquidity access within certain parameters; for example, by focusing on Dark and alternative execution venues, while reducing market impact and information leakage. These algorithms may determine the appropriate quantities to place on each execution venue at specific times and manage the visibility of those orders.

Instead of or in addition to the phases described above, liquidity-driven strategies may employ the following phases:

- **Sequential sweeps:** Experts send aggressive orders to dark or alternative venues with a minimum fill size. Greater priority is given to market impact and likelihood of execution.
- **Resting orders:** Experts place passive orders on dark or alternative venues with a minimum fill size. Those orders may interact either with firm orders or IOIs on those venues where applicable. Greater priority is given to market impact and likelihood of execution.
- **IOIs:** Experts send IOIs to conditional venues or the COM with a minimum fill size in a staggered sequence looking for block liquidity. Greater priority is given to immediate price and likelihood of execution.

For SOR selected strategies the relative priority is described above in section 4.2.

Access to execution venues is based on the following characteristics:

- Whether trading under the Reference Price Waiver ("RPW") is available;
- Whether the order is Large in Scale or greater; and
- Which style parameter has been chosen.

## **5. EXECUTION VENUES**

### **5.1. Share Trading Obligation (STO)**

IEL is subject to the share trading obligation ("STO") which requires IEL to undertake trades in shares admitted to trading on a Regulated Markets ("RM") or Multilateral Trading Facilities ("MTF") (each a "trading venue"), a Systematic Internaliser ("SI"), or an authorised overseas trading venue or SI (each referred to as an "execution venue").

### **5.2. Trading outside a Trading Venues**

IEL may consider that the best possible result when executing a client order will be obtained by trading outside of a trading venue, subject to the STO in section 5.1. IEL will not execute a client order outside a trading venue unless prior express consent has been granted by the client; such consent is usually obtained



upon on-boarding. Where such consent is not given, IEL is obligated to take all sufficient steps to obtain the best possible result for the client subject to this constraint.

Giving prior consent does not preclude clients from requesting different execution arrangements at the time of placing an order or from revoking consent on a permanent basis by submitting a request to that effect.

### **5.3. Types of Execution Venues**

Instinet's website contains the list of execution venues in which IEL places significant reliance on in meeting its obligation to take all reasonable steps to obtain on a consistent basis the best possible result for the execution of client orders. Notwithstanding IEL's obligations outlined in section 5.1 and 5.2, IEL may send orders to one or more of the following execution venues:

- RMs;
- MTFs;
- SIs; and
- overseas trading venues and SIs

The list of execution venues is subject to periodic updates on Instinet's website.

### **5.4. Execution via Affiliates**

In certain markets where IEL does not have direct connectivity, IEL may send orders to an affiliate or to trading venues operated by an affiliate. In all cases IEL remains under an obligation to take all sufficient steps to obtain the best possible result for its clients and to act in accordance with applicable STOs.

### **5.5. Affiliates and Third-Party Brokers**

IEL will use affiliate brokers wherever possible unless a client specifies otherwise. IEL uses a third-party broker, who is not an affiliate broker, typically when neither IEL or any an affiliate broker has direct connectivity or membership to a trading venue or to access alternative liquidity sources. IEL undertakes regular assessments of all executing brokers as part of its Best Execution governance arrangements, as set out in section 7.

### **5.6. BlockMatch User Groups**

When accessing BlockMatch®, which is an MTF operated by IEL and regulated by the UK Financial Conduct Authority, clients may have additional liquidity options available if they are assigned to a User Group, as described in the BlockMatch rulebook<sup>3</sup>. IEL will use its best efforts to assign clients to an appropriate User Group unless instructed otherwise. Clients may opt out of assignment to a User Group. It should be noted that some clients may have separate business streams that would fall under different User Groups.

## **6. VENUE ASSESSMENT**

### **6.1. Venues Appendices**

The full list of execution venues accessed by IEL is set out on Instinet's website [www.instinet.com/legalregulatory](http://www.instinet.com/legalregulatory).

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<sup>3</sup> <https://www.instinet.com/blockmatch>

As per section 4.2 above, it should be noted that different types of execution venues may be accessed during different phases of SOR routing.

## **6.2. Assessment Process**

IEL uses a data-driven approach when assessing which execution venues should be included in each phase, and how they should be prioritised. Assessments take place regularly and include data such as e.g.

- Anonymised data from orders and executions,
- A/B testing, comparing subsets of orders with different parameters,
- Public market data, which may be held IEL's proprietary databases.

The specific metrics used may depend upon the type of venue and the principal execution factors for each phase (see section 4 above) and include but are not limited to:

- Total volumes,
- Average trade or quote sizes,
- Average fill rates,
- Prices compared to prevailing spreads,
- Price movements at specific time intervals after executions,
- Typical round-trip latency from IEL's data centres

## **7. GOVERNANCE AND OVERSIGHT**

### **7.1. Best Execution Assessment**

IEL is required to review and monitor on an ongoing basis the appropriateness of its order execution arrangements as set out in this Policy. Should such review and monitoring identify a need to make changes to IEL's best execution arrangements including e.g. reassessment of algorithm behaviour or execution venue prioritisation, or should any internal or external event render such changes necessary, this Policy will be updated as required to accurately reflect those changes.

In the event a change is deemed 'material' by IEL, which could impact parameters of best execution such as price, speed, cost, likelihood of execution, updates will be made available on the Instinet website, or clients will be notified by email or similar means.

### **7.2. Supervision and Oversight**

IEL has in place robust governance arrangements to ensure all sufficient steps are taken to obtain the best possible results for clients. These arrangements are overseen by the following internal bodies:

- **Best Execution Governance Committee** – A senior-level committee established to oversee compliance with this Policy and IEL best execution arrangements.

- **Best Execution Working Group** – A working group that oversees the operational aspects of IEL best execution arrangements.

### 7.3. Transaction Cost Analysis

IEL undertakes routine analysis to demonstrate that client orders have been executed in accordance with this Policy. At the request of clients, IEL can produce Transaction Cost Analysis (TCA) that details each execution for a requested period, including details of all execution venues used and industry-standard benchmarks. Clients with logins to Instinet's Insight TCA<sup>4</sup> can create these reports.

## 8. CONFLICTS OF INTEREST

### 8.1. Conflicts of Interest Policy

IEL is required to maintain effective arrangements to identify, monitor and manage any applicable Conflicts of Interest however they may arise within its business. Details of the Conflicts of Interest Management Policy can be found on the website<sup>5</sup>.

### 8.2. BlockMatch

IEL operates a UK regulated MTF, BlockMatch UK, which offers access to UK and pan-European liquidity through distinct order books; the Reference Price System and Request for Quote System.

IEL manages potential conflicts of interest between BlockMatch UK and IEL's brokerage business, BlockMatch in accordance with Conflicts of Interest Management Policy, a summary of which is made available on the Instinet website<sup>7</sup>. BlockMatch UK is subject to separate governance and supervision arrangements, and the trading venue is evaluated objectively alongside any other execution venues as part of the best execution and execution venue assessment process described in section 6 above.

## 9. FIDUCIARY RESPONSIBILITY

For the avoidance of doubt, IEL's commitment to provide clients with best execution does not mean that any further fiduciary responsibilities are owed over and above the specific regulatory obligations placed upon the Firm. Clients remain responsible for their own investment decisions and IEL will not be responsible for any trading losses suffered as a result of those client decisions.

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<sup>4</sup> <https://posttrade.instinet.com/>

<sup>5</sup> <https://www.instinet.com/legal-regulatory>

<sup>7</sup> <https://www.instinet.com/legal-regulatory>

## 10. GLOSSARY OF TERMS

**A/B testing:** A method of tuning optimal parameters by statistically comparing two similar versions of an algorithm or electronic system against each other.

**Trading Algorithm:** Includes (a) where a computer algorithm automatically determines individual parameters of orders such as whether to initiate the order, the timing, price or quantity of the order for how to manage the order after its submission; and. As defined in computer program designed to divide up client orders and place slices to trade using a defined set of instructions.

**Alternative Venue:** An execution venue whose volume does not contribute to lit benchmarks such as VWAP; including Dark Pools, Periodic Auctions, SIs and RFQ venues.

**Auction Call Phase:** The order entry period prior to an auction's price determination phase.

**Benchmark:** A price determined by data from lit venues that may be used to assess trading performance.

**Bilateral quote:** A price and size quoted by one market participant to a single other participant or group of participants.

**BlockMatch®:** A Multilateral Trading Facility operated by Instinet Europe Limited that offers participants access to pan-European liquidity using distinct matching systems.

**Broker-Neutral:** An infrastructure platform that connects a client to multiple brokers, enabling them to place orders to trade with each broker in their own name via separate agreements.

**Child slice:** One of a number of smaller orders created when dividing up a client order and sending it to trade.

**Conditional Order Manager ("COM"):** Instinet's COM is an algorithm that accepts a conditional or nonbinding order to trade and requests a firm order if an opportunity is found.

**Consolidated Best Bid/Offer:** The quotes consisting of the highest bid and lowest offer across all major European lit order books.

**Continuous Auction Venue:** A trading venue where all executions all result from short-interval auction, including 'auction on demand' and 'periodic auction' venue types.

**Continuous Trading:** The live trading period excluding auctions where bids and offers are arranged on separate sides of the order book and available for immediate execution.

**Dark Pool:** An order book subject to equity pre-trade transparency waivers described in MiFIR Article 4 where orders can be placed without displaying them.

**Double Volume Cap ("DVC"):** Mechanism to limit the amount of "dark" trading on trading venues without pre-trade transparency.

**Direct Electronic Access ("DEA"):** Where a member/participant of a trading venue (DEA Provider) permits a person to use its trading code so the person can electronically transmit orders directly to the trading venue and includes arrangements which involve the use the DEA provider's infrastructure, or any connecting system provided by the DEA provider, to transmit the orders (Direct Market Access) and arrangements where such an infrastructure is not used by a person (Sponsored Access).

**Direct Market Access (“DMA”)**: Means transmitting orders directly to a trading venue where that person cannot exercise discretion regarding the precise timing of order entry and the lifetime of the order within that timeframe. The transmitted orders pass through controls or filters of the DEA provider.

**Eligible counterparty**: An entity authorised or regulated to operate in the financial markets that is an eligible counterparty is a client that is either a per se eligible counterparty or an elective eligible counterparty.

**Experts®**: Instinet’s proprietary suite of execution algorithms.

**Explicit cost**: The fees and other distinct charges incurred by trading on a venue.

**Fill-or-Kill (“FOK”)**: An order that will be automatically cancelled if the whole size cannot be executed immediately.

**Information leakage**: The possibility that other participants may gain an insight into imminent orders or trading intentions due to signals from visible orders and executions.

**IOC**: An ‘Immediate-or-Cancel’ order where any part of the order that cannot be executed immediately will be automatically cancelled.

**Indication of Interest (“IOI”)**: Means a non-binding message to register an interest to trade in a security.

**Liquidity**: A broad term to describe the availability of shares to trade on a venue or more specifically the volume of shares available.

**Large In Scale (“LIS”) waiver**: The LIS waiver provided under applicable regulations which allows orders over a specified size to be not displayed and may not be subject to the double volume cap mechanism.

**Lit venue**: A regulated market or MTF where orders are visible and publicly displayed.

**Market of reference**: The market where a security is primarily.

**Market Impact**: The price move following an order or execution that may result in further same-side executions achieving a worse price.

**Marketable Order**: An order either at market without a limit, or with a limit that allows for immediate full or partial execution on regulated markets and MTFs.

**Multilateral Trading Facility (“MTF”)**: A venue that is operated by an investment firm, a credit institution or a market operator, that brings together third party buying/selling interests in financial instruments, in accordance with non-discretionary rules.

**Nighthawk**: An Instinet Experts® algorithm that intelligently aggregates dark and alternative low-impact liquidity sources.

**Order book**: The list of live orders or quotes on a trading venue, organised into bids (buys) and offers (sells).

**Parent order**: An order placed by a client that is then divided into various smaller orders as per the client’s instructions or Instinet’s discretion.

**Professional Client**: An entity authorised or regulated to operate in the financial markets that meet the criteria as defined in Annex II of MiFID II.

**Quote**: The possible terms of an execution sent to a particular user or group of users, which may be in response to a specific request.

**Reference price waiver** (“RPW”): Systems matching orders based on the midpoint within the current bid and offer price of the trading venue where that financial instrument was first admitted to trading or the most relevant market in terms of liquidity.

**Regulated Market:** A trading venue with enhanced governance requirements compared to other classes of venue.

**Request for Quote** (“RFQ”): Means, a non-binding message sent from one user to another in order to solicit a quote.

**Systematic Internaliser** (“SI”): A Broker that acts and an execution venue and deals on its own account on a systematic and regular basis. Pre-trade transparency is often required depending on the class of financial instrument.

**Side:** The designation of an order to trade as a buy or sell.

**Smart Order Router** (“SOR”): Instinet’s SOR is an algorithm that places individual orders to trade on one or more trading venues in accordance with pre-defined rules.

**Sponsored Access** (“SA”): Use of trading connections to a venue under a broker’s membership ID via infrastructure not owned by that broker.

**Stop order:** An instruction to execute an order only when the price moves beyond a certain level.

**Transaction Cost Analysis** (“TCA”): The assessment of the quality of trades based on defined benchmarks and methods of breaking down data.

**Time in Force** (“TIF”): the time validity of an order before it expires or is cancelled.

**Venue:** Unless specified, ‘venue’ includes RMs or MTFs, SIs and third-country trading venues.

**Volume Weighted Average Price** (“VWAP”): A common benchmark used to assess performance which takes the volume weighted average price of all trades over a defined time-period. VWP can also refer to the instruction to target this benchmark. VWAP is also one of the Experts algorithms designed to target this benchmark.

**WORK:** An Instinet Experts® algorithm that seeks liquidity and dynamically adjusts tactics to market conditions.

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