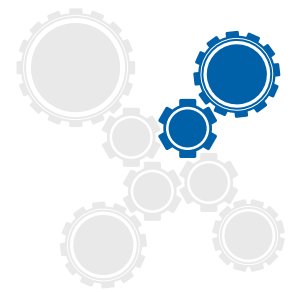


SIA EAGLE Intermediaries

MiFID and Best Execution



MiFID and Best Execution



Something is changing under MiFID II...

The implementation of MiFID II/MiFIR aims to establish a safer, more transparent and responsible financial system in the EU. The "best execution" obligation under both MiFID and MiFID II requires firms to take all reasonable steps to obtain the best possible result for their clients; MiFID II materially enhances MiFID best execution to address some of the specific weaknesses, increasing firm and execution venue disclosure and improving adequacy of monitoring.

Indeed, investment firms must summarise and make public the top five execution venues in the preceding year. Moreover, MiFID II has expanded the scope of investment firms' transaction reporting obligations: the reporting will apply to a much wider range of financial instruments and require the disclosure of additional mandatory data.

SIA EAGLE Intermediaries provides a full set of functionalities to support the compliance in its daily duties of monitoring orders executions and of reporting transactions information to the proper Competent Authorities.

EXECUTION POLICY AND BEST EXECUTION MONITORING MODULE

The Execution Policy and Best Execution Monitoring module implements a set of controls on the daily operations of the firm to verify ex-post the choices made by the trading desk.

The main features of the module verify:

- the accordance between the Execution Policy or the specific instructions of the client for the order and what has been effectively done when the order has been executed

- verifies the Best Execution taking into consideration the elements relevant for the investor: execution price, explicit costs (commissions, expenses, settlement costs), implicit costs (market impact and opportunity costs), speed of execution and probability of execution

All these controls are proactively performed on all executed orders.



Proactive approach



Clients' specific instructions management



Centralized workflow mechanism

EXECUTION POLICY REVIEW

The Execution Policy monitoring is completed by its periodical review: a simulation environment allowing firms to evaluate alternative Trading Venues to be included in their official execution policies.

The Periodical Review module analyses a wide period of time (e.g. 3 or 6 months), and identifies whether there might be trading venues not yet included in the Execution Policy able to guarantee better performances.



✓ What if simulation

✓ Quantitative approach to support qualitative analysis

✓ Trace ability of decisions

Alternative Trading Venue Evaluation

MIFID REPORTING

The MiFID Reporting module complies with Title IV of the Regulation (EU) 600/2014 (the so called MiFIR): investment firms shall report to the competent authority the details of the transactions for any financial instrument admitted in any regulated market, OTF or MTF of the European Union.

SIA is also qualified as reporting channel in Italy.

All required data are already available for SIA EAGLE Market Abuse Module, so no further integrations are required.

✓ Automatic or manual entry of transactions

✓ Complete error management

✓ Historical tracking

✓ Interaction with market abuse modules

About SIA

SIA is European leader in the design, creation and management of technology infrastructures and services for Financial and Central Institutions, Corporates and Public Administration bodies, in the areas of payments, e-money, network services and capital markets.

SIA Group provides its services in around 40 countries, and also operates through its subsidiaries in Hungary and South Africa. The company has offices in Milan and Brussels.

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- **SIA** the parent
- **Emmecom** innovative network applications for banks and businesses
- **Perago** in South Africa
- **Pi4Pay** services for Payment Institutions
- **SIA Central Europe** in Hungary
- **TSP** front-end services for companies and P.A.



SIA GROUP key numbers in 2014

9.2 billion
credit transfers
and collections



3 billion
card payments



30.2 billion
trading and post-trading
transactions



326 terabytes
data carried
on the network



1,500
employees



€426.3 million
revenues



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