

# Quality report

Summary of the quality of execution  
achieved for the year 2017

Last updated: April 2018

# QUALITY REPORT

## Introduction

### *Article 3 of Commission Delegated Regulation 3337 C (2016) supplementing Directive 2014/65/EU*

This document contains, for each class of financial instruments, a summary of the evaluations and conclusions from the monitoring of the quality of execution achieved in regard to the execution venues at which Austrian Anadi Bank AG has executed all client orders for financial instruments in the year ended. Austrian Anadi Bank is obliged by law (specifically, by § 64 (2) of the Austrian Securities Supervision Act (WAG) 2018) to publish, on an annual basis, information concerning the quality of execution of client orders for each class of financial instruments.

The following explanations apply generally for each class of financial instruments, unless any deviations are separately listed in the individual explanation in the case of particular classes of financial instruments.

In 2017, Austrian Anadi Bank AG did not execute any client orders in the SFT (securities financing transactions) class.

## Explanation on the relative importance of the execution factors

### *Article 3 (3) (a) of Commission Delegated Regulation 3337 C (2016)*

In order to achieve the best possible result for its clients, Austrian Anadi Bank AG took into account the overall fee. The overall fee is made up of the price of the financial instrument at an execution venue on the one hand, and the costs associated with the execution of the order on the other hand; these include not only our own fees but also third-party fees such as fees charged by the execution venue, clearing and settlement fees, and all other fees paid to third parties involved in the execution of the order.

If, after the overall fee has been taken into account, a client order for financial instruments can still be executed in the best possible way at several execution venues equally, other factors are taken into account in a further stage, in the following order of priority:

- speed
- likelihood of execution and processing
- type and volume
- other aspects

Further information concerning execution policy and the factors for achievement of the best possible result, and the weighting of those factors, can be found in the client information brochure on the EU Directive on Markets in Financial Instruments (MIFID II), which can be accessed on the website of Austrian Anadi Bank AG.

## Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

### *Article 3 (3) (b) of Commission Delegated Regulation 3337 C (2016)*

Austrian Anadi Bank AG has specified certain principles for handling conflicts of interests. These are set out in detail in the client information brochure on the EU Directive on Markets in Financial Instruments (MIFID II), which can be accessed on the website of Austrian Anadi Bank AG.

In addition, Austrian Anadi Bank AG states that it has no significant close links with individual execution venues.

## Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

### *Article 3 (3) (c) of Commission Delegated Regulation 3337 C (2016)*

Austrian Anadi Bank AG does not have any separate agreements with any execution venue. Consequently, there are no payments made or received, discounts, rebates or non-monetary benefits arising therefrom.

## 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

### *Article 3 (3) (d) of Commission Delegated Regulation 3337 C (2016)*

In 2017, Austrian Anadi Bank AG made minor amendments to its general policy on execution and the factors for the achievement of the best possible result, to bring its policy into line with the current state of the legislations/applicable regulations on execution venues.

In this context, the factors "costs" and "likelihood of execution and settlement" have led to a change of execution venue for the execution of orders in the following classes:

- bonds/debt instruments – debentures, and
- securitised derivatives – warrants and certificates,

in order to achieve the best possible result for the client.



#### Bonds/debt instruments – debentures

Policy change from over-the-counter to on-exchange

#### Securitised derivatives – warrants and certificates

Change in regard to the regions “Germany” and “other foreign countries” from XSTU Stuttgart stock exchange to XFRA Frankfurt stock exchange

### **Explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where this may affect the order execution arrangements**

#### ***Article 3 (3) (e) of Commission Delegated Regulation 3337 C (2016)***

As a general principle, Austrian Anadi Bank AG deals with the execution of orders for different client categories in the same way. To a small extent, in consideration of the factor “type and volume”, there may be differences regarding the execution venue based on the characteristics of the client order, in order to achieve the best possible result for the client on the basis of the type and volume of the order.

### **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 result in terms of the total consideration to the client**

#### ***Article 3 (3) (f) of Commission Delegated Regulation 3337 C (2016)***

In accordance with its execution policy, Austrian Anadi Bank AG did not give precedence to any criteria other than price and cost.

Further information concerning execution policy and the factors for the achievement of the best possible result, and the weighting of those factors, can be found in the client information brochure on the EU Directive on Markets in Financial Instruments (MIFID II), which can be accessed on the website of Austrian Anadi Bank AG.

### **Explanation of how Austrian Anadi Bank AG has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation 2017/515 (RTS 27)**

#### ***Article 3 (3) (g) of Commission Delegated Regulation 3337 C (2016)***

For 2017, Austrian Anadi Bank AG was only able to use market data and other publicly accessible data for the evaluation of the quality of execution of execution venues, since specific data for such purposes were not yet available for 2017.

In addition, in accordance with its execution policy, Austrian Anadi Bank AG carries out a review of its execution policy regularly – at least once a year – and, where necessary, brings it into line with the current status.

**If applicable, an explanation of how Austrian Anadi Bank AG has used the output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU**

*Article 3 (3) (g) of Commission Delegated Regulation 3337 C (2016)*

As consolidated tapes were not yet available for 2017, Austrian Anadi Bank AG was not able to use such information.



