

2023 RTS 28 Report - Summary of the analysis

Securities Services Forex OTC derivatives for 2022- BNP PARIBAS

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;

FX transactions are essentially executed with FX counterparties which are in custody with BNP Paribas- Securities Services. Therefore their primary concern is the execution and settlement of the transactions.

In the absence of any specific instructions, the Securities Services Forex activity of BNP Paribas prioritises the execution factors in the following order:

1. Likelihood of execution

BNP will endeavour to provide a quotation which is valid for a sufficient time window to allow the client to accept if they so desire, notwithstanding a significant market move rendering the quote invalid.

2. Likelihood of settlement

Before responding with a price, Securities Services will check credit line and settlement limit, when applicable, and will only respond with a firm price where sufficient limits are available to settle any resulting transaction.

3. Size of the quotation request

A quotation will be provided such that the full size requested by the client can be filled. If this is not possible due to market conditions, the firm will communicate to the client with a view to changing the execution criteria to facilitate partial fills.

4. Speed and Price

Securities Services seeks to provide a highly competitive service to clients and will respond with a price it considers competitive, fair and timely, with both speed and price having equal importance.

5. Cost

When Securities Services is the execution venue, there will be no additional costs to the client price given by Securities Services FX activity. (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

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There is no affiliation or link between BNP Paribas- Securities Services and the top five execution venues identified

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

BNP does not have any specific payment arrangements with any of the top five execution venues.

(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;

BNP Paribas continues to review the execution venues that it uses but no change has been made to the execution venues used since the BNP Paribas- Securities Services execution policy was last amended.

(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;

BNP Paribas does not make a distinction in the application of its best execution arrangements based on client classification

(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 result in terms of the total consideration to the client;

The Securities Services Forex activity of BNP Paribas does not trade FX with retail clients.

(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) .../...to be inserted before publication [RTS 27];

BNP Paribas utilises a number of processes to analyse the quality of its execution arrangements. These processes will also encompass reviewing the data issued by other execution venues under RTS 27 (currently suspended) once such information becomes available.

(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.

BNPP does not currently use any CTP for analysis of best execution, but will monitor the availability of such providers and the quality of information provided as part of on-going reviews of our best execution arrangements