



# Best Execution Quality Reporting 2018

Deutsche Bank Luxembourg S.A.

Disclosure document related to the Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

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# 1. Purpose of the Document

The recast of the Markets in Financial Instruments Directive (Directive 2014/65/EU), commonly referred to as MiFID II, requires the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") to publish a report aiming at enabling the public and investors to evaluate the quality of an investment firm's execution practices and to identify the top five execution venues in terms of trading volumes where investment firms executed or transmitted client orders in the preceding year.

This document provides an assessment of quality of execution obtained on all venues and entity used by the firm. This information will provide you with a clear picture of the execution strategies and processes applied to assess the quality of execution obtained on those venues/entities. Please be informed that information are only published in relation to those asset classes executed by the Bank for their clients in 2018. Furthermore, please also be informed that this report relates to a period (calendar year 2018).

To learn more about the identity of the top five execution venues / execution entity, please consult the relevant documents provided per asset class on our website (<https://www.db.com/luxembourg/>).

Your client advisor is at your disposal in case of any further questions.

## 2. Equities - Shares & Depository Receipts

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of Discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- The price of the relevant financial instrument;
- The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Equity orders received by the Bank from retail and professional clients were transmitted to Deutsche Bank (Suisse) SA for execution. The table below applies to Retail and Professional clients.

Class of Instrument	Equities - Shares & Depository Receipts				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank (Suisse) SA (LEI: 529900BXKPMXQTRE1V05)	100%	100%	N/A	N/A	0%

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis.

Therefore, no changes to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

Deutsche Bank Luxembourg S.A. and Deutsche Bank (Suisse) are affiliates of Deutsche Bank AG.

In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in the specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

No arrangements with the execution entity for Equities were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

### 3. Debt Instruments - Bonds

#### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

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- The price of the relevant financial instrument;
- The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

#### B. Execution Entity & Venues

In 2018, all Bond orders received by the Bank from retail and professional clients were transmitted to Deutsche Bank (Suisse) SA for execution. The table below applies to Retail clients.

Class of Instrument	Debt Instruments - Bonds				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank (Suisse) SA (LEI: 29900BXXKPMXQTRE1V05)	88.12%	99.77%	N/A	N/A	0%
State Street Bank International GmbH (LEI: ZMHGNT7ZPKZ3UFZ8EO46)	11.88%	0.23%	N/A	N/A	0%

The table below applies to Professional clients.

Class of Instrument	Debt Instruments - Bonds				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank (Suisse) SA (LEI: 29900BXXKPMXQTRE1V05)	100%	100%	N/A	N/A	0%

### 3. Debt Instruments - Bonds (Continued)

#### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis.

Therefore, no change to the execution entity was made in 2018.

#### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in the specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

No arrangements with the execution entity for Bonds were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 4. Debt Instruments - Money Market Instruments

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- The price of the relevant financial instrument;
- The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Money Market Instrument orders received by the Bank from retail and professional clients were transmitted to Deutsche Bank (Suisse) SA for execution. The table below applies to Retail and Professional clients.

Class of Instrument	Debt Instruments - Money Market Instruments				
Notification if < 1 average trade per business day in the previous year	Y				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank (Suisse) SA (LEI: 529900BXKPMXQTRE1V05)	100%	100%	N/A	N/A	0%

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis.

Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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No arrangements with the execution entity for Money Market Instruments were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 5. Interest Rate Derivatives - Swaps, forwards and other interest rate derivatives

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration. The "total consideration" is composed of the following:

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The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Interest Rate Derivative orders received by the Bank from retail and professional clients involving Swaps, forwards and other interest rate derivatives were transmitted to Deutsche Bank AG Frankfurt for execution. The table below applies to Retail and Professional clients.

Class of Instrument	Interest rates derivatives - Swaps, forwards and other interest rate derivatives				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	100%	100%	N/A	N/A	0%

### C. Best Execution Quality

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Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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No arrangements with the execution entity for Interest Rates Derivatives (Swaps, forwards and other interest rate derivatives) were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 6. Currency Derivatives - Futures and options admitted to trading on a trading venue

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- The price of the relevant financial instrument;
- The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Currency Derivative orders received by the Bank from retail and professional clients involving futures and options were transmitted to Deutsche Bank AG Frankfurt for execution. The table below applies to Retail and Professional clients.

Class of Instrument	Currency Derivatives - Futures and Options admitted to trading on trading venue				
Notification if < 1 average trade per business day in the previous year	Y				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	100%	100%	N/A	N/A	0%

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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No arrangements with the execution entity for Currency Derivatives (futures and options admitted to trading and a trading venue) were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 7. Currency Derivatives - Swaps, forwards and other currency derivatives

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- The price of the relevant financial instrument;
- The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Currency Derivative orders received by the Bank from retail and professional clients involving swaps, forwards and other derivatives were transmitted to Deutsche Bank AG Frankfurt for execution. The table below applies to Retail clients.

Class of Instrument	Currency Derivatives - Swaps, Forwards and other currency derivatives				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	100%	100%	N/A	N/A	0%

The table below applies to Professional clients.

Class of Instrument	Currency Derivatives - Swaps, Forwards and other currency derivatives				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	100%	99.79%	N/A	N/A	0%
Deutsche Bank Luxembourg S.A. (LEI: 529900FIAMEJDQ8C9097)	0.00%	0.21%	N/A	N/A	0%

## 7. Currency Derivatives - Swaps, forwards and other currency derivatives (Continued)

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

No arrangements with the execution entity for Currency Derivatives (Swaps, Forwards and other currency derivatives) were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 8. Structured Finance Instruments

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of Discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

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However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Structured Finance orders received by the Bank from retail and professional clients were transmitted to Deutsche Bank AG Frankfurt for execution. The table below applies to Retail clients only.

Class of Instrument	Structured Finance Instruments				
Notification if < 1 average trade per business day in the previous year	Y				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	100%	100%	N/A	N/A	0%

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

No arrangements with the execution entity for Structured Finance Instruments were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 9. Equity Derivatives - Futures and options admitted to trading on a trading venue

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- The price of the relevant financial instrument;
- The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity

In 2018, all Equity Derivative orders received by the Bank from retail and professional clients involving futures and options were transmitted to Deutsche Bank AG Frankfurt for execution. The table below applies to Retail and Professional clients.

Class of Instrument	Equity Derivatives - Futures and options admitted to trading on a trading venue				
Notification if < 1 average trade per business day in the previous year	Y				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	100%	100%	N/A	N/A	0%

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

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No arrangements with the execution entity for Equity Derivatives (futures and options admitted to trading on a trading venue) were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

# 10. Securitised Derivatives - Warrants and Certificate Derivatives

## A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- a. The price of the relevant financial instrument;
- b. The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

## B. Execution Venues & Entities

In 2018, while executing client orders in Secondary Securitised Derivatives for retail and professional clients, the Bank transmitted all orders to Deutsche Bank (Suisse) SA. The table below applies to Retail and Professional clients.

Class of Instrument	Securitised Derivatives - Warrants and Certificate Derivatives				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank (Suisse) SA (LEI: 529900BXKPMXQTRE1V05)	100%	100%	N/A	N/A	0%

When executing orders in primary securitized derivatives for retail and professional clients, the Bank chose the execution venue directly, whereby prices are requested from multiple issuers approved by the Deutsche Bank Group on a global level. Based on this assessment, the lowest price is selected resulting in a minimized total consideration for the client.

**Top 5 Execution Venues in Primary Securitised Derivatives (Warrants and Certificate Derivatives) for Retail clients:**

Class of Instrument	Securitised Derivatives - Warrants and Certificate Derivatives				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Clearstream Banking S.A. (LEI: 549300OL514RA0SXJJ44)	20.62%	2.90%	N/A	N/A	0%
Societe Generale (LEI: O2RNE8IBXP4R0TD8PU41)	17.11%	7.39%	N/A	N/A	0%
Credit Suisse AG (LEI: ANGGYXNX0JLX3X63JN86)	12.86%	33.51%	N/A	N/A	0%
Bank Vontobel AG	10.91%	12.14%	N/A	N/A	0%

(LEI: 549300L7V4MGECYRM576)					
Goldman Sachs International (LEI: W22LROWP2IHZNBB6K528)	9.59%	3.69%	N/A	N/A	0%

#### Top 5 Execution Venues in Primary Securitized Derivatives (Warrants and Certificate Derivatives) for Professional clients:

Class of Instrument	Securitized Derivatives - Warrants and Certificate Derivatives				
Notification if < 1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Barclays Bank PLC (LEI: G5GSEF7VJP5I7OUK5573)	29.36%	9.46%	N/A	N/A	0%
Deutsche Bank Aktiengesellschaft (LEI: 7LTWFZYICNSX8D621K86)	18.05%	13.51%	N/A	N/A	0%
Bank Vontobel AG (LEI: 549300L7V4MGECYRM576)	17.77%	25.68%	N/A	N/A	0%
Societe Generale (LEI: O2RNE8IBXP4R0TD8PU41)	8.96%	8.11%	N/A	N/A	0%
Morgan Stanley & Co. Limited (LEI: 5493006PLV06WO8C1T28)	5.90%	1.35%	N/A	N/A	0%

## C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum.

For the execution entity used to execute secondary securitized derivatives, this is performed by assessing the current execution entities against other execution entities offering the same financial instrument scope and level of service as the existing execution entities. Based on this assessment, no change of the execution entity was made in 2018.

For the execution venues used to execute primary securitized derivatives, Deutsche Bank group regularly reviews the list of approved issuers based on criteria such as credit ratings of various rating agency, credit default spreads, as well as internal ratings. In case of material deterioration of these ratings, issuers may be removed from this list. On the other hand, issuers showing improved credit ratings may be added to the list. Based on this assessment, the list of approved execution venues for primary securitized derivatives was amended in 2018.

## D. Information on Close Links, Conflicts of Interest, and Common Ownership

Deutsche Bank Luxembourg S.A. and Deutsche Bank (Suisse) are affiliates of Deutsche Bank AG.

In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

The Bank may receive sales commission from issuers when executing primary securitized derivatives. Two categories can be distinguished:

- **Placement fees:** Such fees are paid to the Bank by the issuer of the security concerned a one-time, sales linked commission. This fee usually amounts to between 0.5 % and 2 % of the nominal value of the securitized derivative, alternatively, the issuers may grant the Bank a corresponding discount on the issue price;
- **Trailer fees:** Such fees are paid to the Bank by the issuers as a regular, volume-based commission and typically amount to between 0.1 % and 1.5 % p.a.

# 11. Exchange Traded Products

## A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- a. The price of the relevant financial instrument;
- b. The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

## B. Execution Entity

In 2018, all Exchange Traded Product orders received by the Bank from retail and professional clients were transmitted to Deutsche Bank (Suisse) SA for execution. The table below applies to Retail and Professional clients.

Class of Instrument	Exchange Traded Products				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Deutsche Bank (Suisse) SA (LEI: 529900BXKPMXQTRE1V05)	100%	100%	N/A	N/A	0%

## C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

## D. Information on Close Links, Conflicts of Interest, and Common Ownership

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In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

No arrangements with the execution entity for Exchange Traded Products were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

## 12. Other Instruments

### A. Best Execution Principles

When receiving, transmitting or executing client orders as well as buying or selling financial instruments within the context of discretionary portfolio management services, the Wealth Management Division of Deutsche Bank Luxembourg S.A. ("The Bank") will take all sufficient steps to determine the best possible result primarily in terms of total consideration.

The "total consideration" is composed of the following:

- c. The price of the relevant financial instrument;
- d. The costs related to the execution.

However, in certain circumstances, for some instructions, instrument types or markets, execution factors such as speed, likelihood of execution and settlement, size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration to ensure the best possible result for the client.

The Bank has chosen to apply the same best execution principles to professional and retail clients.

### B. Execution Entity & Venues

In 2018, all orders received by the Bank from retail and professional clients involving Other Instruments were transmitted to the below Entities & Venues for execution. The table below applies to Retail clients.

Class of Instrument	Other Instruments				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
EUROCLEAR BANK SA/NV (LEI: 549300OZ46BRLZ8Y6F65)	61.88%	72.13%	N/A	N/A	0%
State Street Bank International GmbH (LEI: ZMHGNT7ZPKZ3UFZ8EO46)	30.17%	26.31%	N/A	N/A	0%
Clearstream Banking S.A. (LEI: 549300OL514RA0SXJJ44)	7.59%	1.30%	N/A	N/A	0%
Deutsche Bank (Suisse) SA (LEI: 529900BXKPMXQTRE1V05)	0.35%	0.26%	N/A	N/A	0%

## 12. Other Instruments (Continued)

The table below applies to Professional clients.

Class of Instrument	Other Instruments				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution entities ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders traded as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
EUROCLEAR BANK SA/NV (LEI: 549300OZ46BRLZ8Y6F65)	43.94%	71.45%	N/A	N/A	0%
Deutsche Bank (Suisse) SA (LEI: 529900BXKPMXQTRE1V05)	37.00%	3.11%	N/A	N/A	0%
State Street Bank International GmbH (LEI: ZMHGNT7ZPKZ3UFZ8EO46)	19.07%	25.41%	N/A	N/A	0%
Bank of New York Mellon (LEI: MMYX0N4ZEZ13Z4XCG897)	0.00%	0.03%	N/A	N/A	0%

### C. Best Execution Quality

The Bank monitors the effectiveness of its best execution arrangements in place with execution entities and venues and assesses their performance with regards to the best execution factors outlined in the Bank's Order Execution Policy on a quarterly basis at the minimum. This is performed by assessing the current execution entities and venues against other execution entities and venues offering the same financial instrument scope and level of service as the existing execution entities and venues.

Based on the monitoring activities performed, the Bank has no reason to consider the achieved execution quality as not sufficient to ensure the clients best interest on a consistent basis. Therefore, no change to the execution entity was made in 2018.

### D. Information on Close Links, Conflicts of Interest, and Common Ownership

Deutsche Bank Luxembourg S.A. and Deutsche Bank (Suisse) are affiliates of Deutsche Bank AG.

In order to identify and manage actual or potential conflicts of interests resulting from this close link and common ownership, the Bank has implemented appropriate mechanisms as described in specific conflicts of interest disclosure available under [www.deutsche-bank.lu/coi](http://www.deutsche-bank.lu/coi).

No arrangements with the execution entity for Other Instruments were in place in 2018 regarding payments made or received, discounts, rebates or non-monetary benefits received.

### Kontakt

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