

## **Amber Capital Italia SGR SPA Best Execution Disclosure 2021: Review period: 1 January 2021 – 31 December 2021**

Amber Capital Italia SGR SPA (“**Amber SGR**”) is authorised and regulated by the Bank of Italy and CONSOB and is subject to the Italian implementation of the second European Markets in Financial Instruments Directive (“**MiFID II**”) in relation to the portfolio-management service.

Amber SGR has adopted a transmission policy (the “Transmission Policy”) setting forth both the principles of best execution adopted by Amber SGR pursuant to the requirements of MiFID II and the implementation of the Italian rules. Many of the orders placed by Amber SGR as portfolio manager are transmitted to brokers through Amber Capital UK LLP (“ACUK”), an asset management firm authorised and regulated by the UK Financial Conduct Authority pursuant to a legal agreement whereby ACUK undertakes trading desk activities. Amber SGR has conducted due diligence on ACUK to ensure that it has an adequate organisational structure and tools to carry out the trading desk functions on behalf of Amber SGR and to comply with its Transmission Policy and, therefore, to take all sufficient steps to obtain the best possible result for its clients when it transmits orders on its behalf. ACUK executes the orders, indirectly through approved brokers as authorised by Amber SGR. During the period under review, only with respect to a specific portfolio managed and limited to Futures admitted on a trading venue, Amber SGR has transmitted orders directly to an approved broker listed in the “Transmission Policy”.

Pursuant to the requirements of Regulatory Technical Standard 28 of MiFID II, this report lists the top executing brokers/counterparties in terms of trading volumes and number of executed orders for Amber SGR, per class of financial instruments.

Amber SGR’s Transmission Policy sets forth specific arrangements with a view to obtaining the best possible result for its clients taking into consideration some relevant ‘execution factors’, including price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. The primary goal when transmitting trading orders is to get the best price for the largest amount of liquidity, reaching a target size at the best average price within a given time period. Price levels and time period are influenced by the volatility/liquidity limitations of a given instrument. The relative importance of the execution factors is judged on an order-by-order basis in line with industry experience and prevailing market conditions. During the period under review, Amber SGR and ACUK regularly reviewed the effectiveness of their respective execution policy. ACUK has provided on a regular basis information on the factors considered when executing orders for Amber SGR, which included: price, access to market, counterparty risk and market liquidity applied on an objective basis.

Following the publication by the UK FCA of Policy Statement 21/20 ‘Changes to UK MiFID’s conduct and organisational requirements’, while ACUK’s obligation to produce Best Execution Disclosure report has been removed, the firm will continue to assess the execution quality obtained on all execution venues and provide information to Amber SGR for all orders transmitted on its behalf. Assessment of quality of execution obtained for relevant asset classes identified below is based on information obtained by ACUK during the relevant period.

Amber SGR does not have any close links, conflicts of interests or common ownership with respect to the execution venues/brokers approved for execution of orders on the market. There were no specific arrangements with any brokers/execution venues regarding payments made and received, discounts, rebates, or non-monetary benefits, regardless of class of financial instrument in scope of this report. Amber SGR may receive minor non-monetary benefits from its counterparties, and these are only accepted after due and careful consideration has been made by Amber SGR in line with its regulatory obligations, including confirmation that such minor non-monetary benefits are deemed capable of enhancing the quality of services provided by Amber SGR to its clients and does not impair compliance with the firm's duty to act in the best interests of the client.

**The following Classes of Financial Instruments are not applicable:**

**Credit Derivatives: Futures and options admitted to trading on a trading venue**

**Currency Derivatives: Futures and options admitted to trading on a trading venue**

**Structured-Finance Instruments**

**Equity Derivatives: Swaps and other equity derivatives**

**Securitised Derivatives: Other securitised derivatives; Commodities derivatives; Options and Futures admitted to trading on a trading venue; Other**

**Commodities derivatives and emission allowances Derivatives: Options and Futures admitted to trading on a trading venue; Other commodities derivatives and emission allowances derivatives**

**Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)**

**Emission allowances**

Class of instrument	Equities - Shares and Depositary Receipts: Tick size liquidity bands 5 and 6 (from 2000 trades per day)				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	70.01%	65.77%	-	-	-
Intermonte Sim Spa (YMUU1WGHJKORF9E36I98)	8.18%	9.01%	-	-	-
BTIG (213800YZXS7U4QZP6441)	6.61%	7.21%	-	-	-
Exane BNP Paribas (969500UP76J52A9OXU27)	5.17%	7.21%	-	-	-
Merrill Lynch (GGDZP1UYGU9STUHRDP48)	2.18%	1.80%	-	-	-

Class of instrument	Equities - Shares and Depository Receipts: Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	61.18%	52.36%	-	-	-
UBS (BFM8T61CT2L1QCCEMIK50)	12.34%	8.15%	-	-	-
Kepler (254900VCHS9DMDUVZN16)	4.58%	7.30%	-	-	-
Societe Generale (O2RNE8IBXP4ROTD8PU41)	4.37%	0.43%	-	-	-
Intermonte Sim Spa (YMUU1WGHJKORF9E36I98)	4.35%	7.73%	-	-	-

Class of instrument	Equities - Shares and Depository Receipts: Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Intermonte Sim Spa (YMUU1WGHJKORF9E36I98)	93.06%	53.97%	-	-	-
Goldman Sachs International (W22LROWP2IHZNBB6K528)	3.37%	7.94%	-	-	-
Equita Sim Spa (815600E3E9BFBC8FAA85)	2.54%	22.22%	-	-	-
Mediobanca Spa (PSNL19R2RX5U3QWHI44)	0.32%	4.76%	-	-	-
Merrill Lynch (GGDZP1UYGU9STUHRDP48)	0.24%	1.59%	-	-	-

Generally, factors considered relevant are overall costs including broker fee schedules, impact and observed slippage.

The impact of implicit costs must be taken into account when considering the execution strategy of orders to ensure that they are managed and do not result in an undue impact to total costs.

ACUK analysed the trades during the relevant period against the trading day's variable weighted average price ("VWAP") as part of the analysis of best execution in relation to equities. The monitoring completed confirmed the best execution was obtained consistently with the approved brokers to whom orders were transmitted on behalf of the SGR throughout the year.

Class of instrument	Debt Instruments: Bonds				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	92.87%	87.50%	-	-	-
JP Morgan (K6Q0W1PS1L1O4iQL9C32)	4.76%	7.50%	-	-	-
Equita Sim Spa (815600E3E9BFBC8FAA85)	2.37%	5.00%	-	-	-

In addition to overall price and cost, speed and probability of execution as well as counterparty risk assessment are considered relevant factors.

As part of the analysis of best execution in relation to debt instruments with brokers via indirect trading, reviews of external market data and externally verifiable reference prices (where available) were undertaken when pricing or checking the price of debt instruments (including bespoke instruments). The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Class of instrument	Equity Derivatives: Options and Futures admitted to trading on a trading venue				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
UBS (BFM8T61CT2L1QCCEMIK50)	96.11%	94.61%	-	-	-
Goldman Sachs International (W22LROWP2IHZNBB6K528)	3.77%	5.18%	-	-	-
BTIG (213800YZXS7U4QZP6441)	0.12%	0.20%	-	-	-

The key factors typically considered are price, observed volume on exchange, and overall transaction costs and additionally counterparty risk assessment.

Prices are compared via a request for quote (“RFQ”), considering additional transaction costs that may be applicable. When transactions are time-sensitive, response time to RFQ can be a defining factor.

As part of the analysis of best execution in relation to equity derivatives, ACUK analysed the trades with brokers during the relevant period against the VWAP.

The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Class of instrument	Interest Rate 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 venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	100.00%	100.00%	-	-	-

Class of instrument	Other Credit 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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	100.00%	100.00%	-	-	-

Class of instrument	Securitised 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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Intermonte Sim Spa (YMUU1WGHJKORF9E36I98)	100.00%	100.00%	-	-	-

Size of order, price and cost will generally be the most important factors by which ACUK considers how Securities Derivatives are traded. However, other execution factors are considered such as execution speed, external market data and externally verifiable reference prices.

Execution speed or the lack of venues/counterparties offering the relevant instrument may mean that investigation into prices is not as varied as it might be in other circumstances.

Class of instrument	Contracts for Difference				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	99.11%	97.92%	-	-	-
UBS (BFM8T61CT2L1QCEMIK50)	0.89%	2.08%	-	-	-

Key factors typically considered for CFDs are price, observed volume on exchange and overall transaction costs. Prices are compared via a request for quote (“RFQ”), considering additional transaction costs that may be applicable. When transactions are time-sensitive, response time to RFQ can be a defining factor.

As part of the analysis of best execution in relation to contracts for difference, ACUK analysed the trades with brokers during the relevant period against the VWAP. The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Class of instrument	Equities - Shares and Depositary Receipts				
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 executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Intermonte Sim Spa (YMUU1WGHJKORF9E36I98)	36.59%	23.21%	-	-	-
Goldman Sachs International (W22LROWP2IHZNBB6K528)	15.58%	6.43%	-	-	-
UBS (BFM8T61CT2L1QCEMIK50)	8.87%	6.07%	-	-	-
BTIG (213800YZXS7U4QZP6441)	5.64%	12.14%	-	-	-
Exane BNP Paribas (969500UP76J52A9OXU27)	4.86%	7.86%	-	-	-