



Eurobank Cyprus Ltd MIFID II Annual Report on the Quality of Deal Execution for 2017

Eurobank Cyprus Ltd (herein after the “Bank”), pursuant to the Directive 2014/65/EU (MiFID II), as transposed into Cypriot legislation by Law (herein after the “Law”), as well as, MiFID II delegated acts, is required to generate an annual report to summarize the analysis and conclusions it draws from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders in the previous year.

As per the Bank’s best execution policy for 2017, the Annual Report on the quality of deal execution report is as follows:

Order Transmitted: Equities Shares – Depository Receipts & Exchange Traded Funds (“ETFs”), Exchange Traded Notes (“ETNs”) & Exchange Traded Commodities (“ETCs”)

In 2017, most of the equity orders were placed through Goldman Sachs International (“GSI”) which is an operating subsidiary of Goldman Sachs Group. GSI uses brokers, including affiliate brokers, to access equities markets for which it does not have a direct membership itself (i.e. Goldman Sachs & Co. LLC, Goldman Sachs Japan Co. Ltd, Goldman Sachs Singapore PTE, etc.)

The price, the costs, the speed, the likelihood of execution or any other consideration including qualitative factors when assessing the quality execution are important to Eurobank Cyprus. When assessing the relative importance given to execution factors, Eurobank Cyprus will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

- ✓ The characteristics of the client including the regulatory categorization of the client
- ✓ The characteristics of the relevant order
- ✓ The characteristics of the financial instruments (illiquid market, etc.) that are the subject of the relevant order
- ✓ The characteristics of the execution venue to which that relevant order can be directed.
- ✓ And the cost of execution for Eurobank Cyprus Ltd.

In case of orders received that are for markets not enabled by GSI, these orders were transmitted to Sanford C. Bernstein Limited. Sanford C. Bernstein Limited (registered in England and Wales under company number 3760267) is authorized and regulated in the UK by the Financial Conduct Authority and registered in the Financial Services Register (at <http://www.fca.org.uk/register/>) under the number 191115.(<https://www.bernsteinresearch.com/BRWEB/Public/CmsContent.aspx?nid=9912&cid=82937>)

GSI and Sanford C. Bernstein Limited decisions to route orders to a particular venue for execution are determined by whether execution on such venues allows them to satisfy their best execution obligation and are not influenced by any such ownership or venue share arrangements.



Orders for the Athens Stock Exchange and Cyprus Stock Exchange are primarily transmitted to the Eurobank Equities ΑΕΠΕΥ, which is a subsidiary of the Eurobank Group, direct member of Athens Stocks Exchange and Cyprus Stock Exchange and is regulated by the Hellenic Capital Market Commission.

Eurobank Cyprus Ltd does not receive any remuneration, discount or non-monetary benefit for routing clients' orders to a particular trading venue or execution venue which would infringe our obligations with regards to conflict of interest or inducements.

In the case of changing an execution venue the following factors are taken under consideration: addressable liquidity, fill rate, speed of trading, cost of execution, latency, etc.

Execution factors such as speed, likelihood of execution and settlement, the size and nature of the relevant order, market impact and any other implicit transaction cost may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the retail client. There is no differentiation between retail and professional clients unless there are other considerations relevant to the execution of the order that need to be taken under consideration.

Order Transmitted: Debt Instruments

During 2017 client orders for debt instruments were primarily executed in the Over-the-Counter markets through the Bank's Global Markets department. Transactions were also executed through the Athens Stock Exchange and the Cyprus Stock exchange for listed debt instruments.

Depending on the type of instrument, the Bank either executed the transactions itself or placed the orders through intermediaries or venues. Orders for structured deposit products were executed through the Bank's Global Markets department.

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

ELIGIBLE COUNTERPARTY						
Class of Instrument	Stocks					
Notification if <1 average trade per business day in the previous year	No					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 INTL	70.32%	84.82%	34.16%	0.00%	0.00%	0.00%
EUROBANK EQUITIES INVESTMENT FIRM	29.68%	14.90%	64.97%	0.00%	0.00%	0.00%
Sanford C. Bernstein Limited	0.01%	0.28%	0.86%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

ELIGIBLE COUNTERPARTY						
Class of Instrument	Bonds					
Notification if <1 average trade per business day in the previous year	Yes					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 *
TREASURY CYPRUS	81.70%	99.02%	88.00%	0.00%	0.00%	0.00%
EUROBANK EQUITIES INVESTMENT FIRM	18.30%	0.98%	12.00%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

PROFESSIONAL						
Class of Instrument	Stocks					
Notification if <1 average trade per business day in the previous year	No					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 INTL	56.78%	97.56%	68.49%	0.00%	0.00%	0.00%
EUROBANK EQUITIES INVESTMENT FIRM	43.05%	2.33%	31.44%	0.00%	0.00%	0.00%
Sanford C. Bernstein Limited	0.17%	0.11%	0.08%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

PROFESSIONAL						
Class of Instrument	Bonds					
Notification if <1 average trade per business day in the previous year	No					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 *
TREASURY CYPRUS	99.58%	99.59%	98.97%	0.00%	0.00%	0.00%
EUROBANK EQUITIES INVESTMENT FIRM	0.42%	0.41%	1.03%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

PROFESSIONAL						
Class of Instrument	Other Investments					
Notification if <1 average trade per business day in the previous year	Yes					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 *
TREASURY CYPRUS	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

RETAIL						
Class of Instrument	Stocks					
Notification if <1 average trade per business day in the previous year	No					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 *
EUROBANK EQUITIES INVESTMENT FIRM	90.00%	41.88%	78.43%	0.00%	0.00%	0.00%
GOLDMAN SACHS INTL	7.90%	57.01%	20.84%	0.00%	0.00%	0.00%
Sanford C. Bernstein Limited	2.10%	1.11%	0.72%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

RETAIL						
Class of Instrument	Bonds					
Notification if <1 average trade per business day in the previous year	No					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 *
TREASURY CYPRUS	85.50%	94.18%	97.58%	0.00%	0.00%	0.00%
EUROBANK EQUITIES INVESTMENT FIRM	14.50%	5.82%	2.42%	0.00%	0.00%	0.00%

**Information on the top five execution venues and quality of execution obtained
from 1/1/2017 to 31/12/2017**

RETAIL						
Class of Instrument	Other Investments					
Notification if <1 average trade per business day in the previous year	Yes					
Top five execution brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of value 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 *
TREASURY CYPRUS	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%

Definitions

- (a) Passive order means an order entered onto the order book that provided liquidity.
- (b) Aggressive order means an order entered into the order book that took liquidity.
- (c) Directed order means an order where a specific execution venue was specified by the client prior to the execution of the order.