

# Annual Trade Execution Report

## Thames River Capital LLP

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1 January 2018 – 31 December 2018

## Contents

|           |   |           |
|-----------|---|-----------|
| <b>1.</b> | <b>Introduction / Overview .....</b>                        | <b>3</b>  |
| <b>2.</b> | <b>Thames River Capital LLP.....</b>                        | <b>3</b>  |
| <b>3.</b> | <b>Scope of this Report.....</b>                            | <b>3</b>  |
| <b>4.</b> | <b>TRC’s Execution Strategy .....</b>                       | <b>4</b>  |
|           | Passive and Aggressive Reporting .....                      | 5         |
|           | Legal Entities .....  | 5         |
| <b>5.</b> | <b>General Disclosures .....</b>                            | <b>5</b>  |
| <b>6.</b> | <b>Execution Reports .....</b>                              | <b>6</b>  |
| 6.1       | Equities – shares and depositary receipts .....             | 7         |
| 6.1.1     | Tick size liquidity band 1 & 2 .....                        | 7         |
| 6.1.2     | Tick size liquidity bands 3 and 4 .....                     | 9         |
| 6.1.3     | Tick size liquidity bands 5 and 6 .....                     | 11        |
| 6.2       | Debt instruments .....                                      | 13        |
| 6.2.1     | Money markets instruments.....                              | 13        |
| 6.3       | Currency derivatives.....                                   | 14        |
| 6.3.1     | Swaps, forwards, and other currency derivatives .....       | 14        |
| 6.4       | Contracts for Difference.....                               | 15        |
| 6.5       | Other instruments .....                                     | 17        |
|           | <b>Appendix : RTS 28 list of financial instruments.....</b> | <b>18</b> |

## 1. Introduction / Overview

UK and European investment firms are required to publish, on an annual basis, information on the five trading venues where they executed the greatest volume of client orders during the previous year and the quality of execution obtained from these venues. If the investment firm doesn't execute client orders directly against a trading venue, then they are required to publish information on the top five firms with whom they placed orders to be executed.

The reports and analysis for Thames River Capital LLP for the period 1 January to 31 December 2018 is included in this report.

## 2. Thames River Capital LLP

Thames River Capital LLP (TRC) is part of BMO Global Asset Management (EMEA). TRC delegates dealing authority to the BMO Global Asset Management (EMEA) dealing desk for certain asset classes. These are shown in the execution reports below as orders placed with BMO Asset Management Limited. During 2018 TRC retained dealing for several asset classes, including Equities, CFDs and Fixed Income (bonds). For these asset classes, TRC deals directly with external counterparties, completely independently from BMO Asset Management Limited - there is no sharing of the order book.

## 3. Scope of this Report

Commission Delegated Regulation (EU) 2017/576 ("RTS 28") lays down rules on the content and the format of information to be published by investment firms on an annual basis in relation to client orders executed on trading venues, systematic internalisers, market makers or other liquidity providers or entities that perform a similar function to those performed by any of the foregoing in a third country.

Additionally, investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information should include details such as

- Price, costs, speed, likelihood of execution or any other considerations made when selecting a venue for the order (Execution Factors)
- Whether there are any close links, conflict of interests and common ownerships with respect to any execution venue (Affiliations and conflicts of interest)
- Whether there are any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received (Specific financial arrangements with execution venues)
- An explanation of the factors that led to any change in the list of execution venues (Changes in venue usage)

- An explanation of how order execution differs according to client categorisation (Execution factors specific to customer types)
- Where applicable, an explanation of whether other criteria was given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the possible result in terms of the total consideration to the client (Situations where price and cost were not the primary execution factors)
- An explanation of how the investment firm has used any data or tools relating to the quality of execution (If and how the firm utilised reports published by trading venues under Commission Delegated Regulation (EU) 2017/575 (“RTS 27”))
- 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 (If and how the firm utilised a CTP when making execution decisions)

Responses to the above considerations are given as narrative with each financial instrument’s analysis, and in the section General Disclosures.

## 4. TRC’s Execution Strategy

As part of the investment management services we provide, we place orders for our clients for various financial instruments with other companies for execution.

Those brokers are not restricted by us as to how they complete the trade. Brokers may therefore utilise:

- Regulated markets
- Multilateral Trading Facilities (MTFs); or global equivalents
- Organised Trading Facilities (OTFs); or global equivalents
- Systematic Internalisers (SIs)
- Liquidity pools
- Market makers or other liquidity providers and/or non-EEA entities performing similar functions

For 2018, it has not been possible to record trading venue for a large enough proportion of trades completed, due to restrictions caused by internal and external system limitations.

This report covers all the financial instruments listed in RTS 28, if they have been traded by TRC. The full list of eligible financial instruments is included as an Appendix to this report.

## Passive and Aggressive Reporting

RTS 28 reporting requires firms to classify executed orders as “passive”, “aggressive” or “directed”, where these are defined as the following:

- “passive” order means an order entered into the order book that provided liquidity
- “aggressive” order means an order entered into the order book that took liquidity
- “directed” order means an order where a specific execution venue was specified by the client prior to the execution of the order.

Only orders executed directly on exchange would be eligible for this “passive” or “aggressive” classification. Where orders have been placed with an execution broker and have therefore become part of their book of orders, TRC is not participating in the market directly, and the classification becomes irrelevant. As TRC places all orders with executing brokers, and does not utilise direct market access, there are no trades eligible for “passive” or “aggressive” identification.

TRC does not have any client relationships where the client directs TRC to use a specific venue. There are therefore no directed orders.

## Legal Entities

TRC classifies each legal entity within a counterparty group as a separate entity. We do not aggregate at a group level, however there are very few circumstances in which TRC would be trading the same financial instrument class with multiple entities of the same firm, and we consider this to have no impact on this report.

## 5. General Disclosures

TRC does not have any conflicts of interest in trading with any external counterparties.

We do not have any arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

TRC utilises independent, third-party post-trade analysis for Best Execution and TCA analysis. This provides consolidated reporting across asset classes. A broker’s RTS 27 report will only show trades executed with that broker, which is less useful.

We have not used consolidated tape data in our execution arrangements.

## 6. Execution Reports

This section outlines TRC's trading activity during 2018 broken down by financial instrument and listing the top 5 counterparties, based on the principal amount traded. This reporting is aligned to BMO's Order Execution and Placement Policy and is set out in the following order:

- Equities and related securities
- Fixed Income and related securities
- Over the counter ("OTC") derivatives
- Foreign Exchange ("FX")

TRC's reporting is on the financial instrument types traded by TRC during 1 January 2018 – 31 December 2018.

A full list of the financial instruments that could be included in an RTS 28 report is included as an Appendix to this report.

## 6.1 Equities – shares and depositary receipts

### 6.1.1 Tick size liquidity band 1 & 2

| 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 |
|---|---|--|
| Goldman Sachs International<br>LEI: W22LROWP2IHZNBB6K528                        | 75.2  | 90.4   |
| Stifel Nicolaus Europe Ltd<br>LEI: 213800BVEFNZ8UYPKL03                         | 7.6   | 1.1  |
| JP Morgan Securities<br>LEI: K6Q0W1PS1L1O4IQL9C32                               | 6.2   | 0.5  |
| Numis Securities<br>LEI: 213800P3F4RT97WDSX47                                   | 3.8   | 0.2  |
| Mirabaud Securities<br>LEI: 213800JJOWD9ZACAB696                                | 2.9   | 0.3  |
| <b>General Comments :</b>   | <p>Where the table above indicates execution venues, these are the brokers where the trade instructions have been placed.</p> <p>System enhancements to establish fix connectivity with brokers was undertaken during 2018 for TRC. A number of issues prevented a volume of trades to be executed via fix through the year, and where trades have been booked manually in our systems, the ability to record execution venue is not available.</p> <p>An example of this would be where the broker has chosen to take the trade onto their own book (systematic internaliser).</p> <p>We have chosen not to include this information as the data is only available for a small proportion of the traded volume and would be unrepresentative.</p>  |  |
| <b>Execution Factors :</b>  | <p>TRC operate in a niche market within wider equities. When considering different venues the most important factors are price discovery and liquidity.</p> <p>Equities tick band 1 &amp; 2 relates to securities which are traded the least frequently (between 0 and 79 trades per day). Where equities do not currently have a tick band classification, they are included on the Other Instruments table in section 6.3.</p> <p>This represents 12.6% of the total equity turnover in 2018, booked as CFD or cash settlement.</p> <p>For TRC the majority of securities in this category are smaller North American REIT companies. 75.2% of turnover of this category was CAD or USD.</p> <p>There is a feature of the US market that where a trade is agreed as a Contract for Difference (CFD) a company can only write such contracts internally, there is no opportunity to face a different counterparty for settlement. This means there is no give-up market for the US, and any equities that are to be settled CFD must be traded with the CFD writer.</p> <p>Another consideration for trading is our commitment to treating customers fairly, whereby TRC ensures that all orders in the same underlying security are booked with the same price across all portfolios, regardless of whether that exposure is CFD or cash settlement. Therefore, where a trade is being booked out as a mixture of CFD and cash settlement, all volume is executed by the same broker.</p> <p>Goldman Sachs are the CFD provider for the TRC portfolios with US market exposure, and are therefore the broker with the highest turnover in this category. Goldman Sachs provide a consistent service in terms of coverage and liquidity, excellent service levels and there is no price disadvantage in terms of commission.</p> |  |

|   |  |
|---|--|
|   | <p>Stifel Nicolaus are the second largest counterparty in terms of turnover for this tick band category. Names traded are all UK listed securities – smaller REITs – where Stifel have been able to access liquidity.</p> <p>JP Morgan are the third largest counterparty in terms of turnover, and it would not be our expectation that JP Morgan would be a leading counterparty in a more niche trading space. However, this turnover stems from one trade which was a private placement where JP Morgan acted as joint Lead Broker. The main line of this security is tick band 5, where we see JP Morgan as No. 3 counterparty also.</p>  |
| <b>Affiliations and Conflicts of Interest :</b>                                 | None   |
| <b>Specific financial arrangements with execution venues :</b>                  | None   |
| <b>Changes in venue usage :</b>   | <p>TRC continually assess and monitor the counterparties with which we are active. This may involve entering into a new relationship as a result of market structure changes or a new venue becoming available that offers improved price quality and liquidity access.</p> <p>During 2018 we saw a concentration of turnover volume to a smaller number of counterparties, as a direct result of the impact of MIFID 2 in January 2018.</p> <p>Tick band analysis was not completed for 2017, so it is not possible to report a decrease in counterparties at the tick band level. However, the following brokers were not utilised during 2018 (which had been active in 2017), which would have been utilised for trading activity that would have included North American REITs:</p> <ul style="list-style-type: none"> <li>• Green Street US</li> </ul> |
| <b>Execution factors specific to customer types :</b>                           | All customers are treated the same with regards to execution. Our customer base consists only of Professional Clients on this book.  |
| <b>Situations where price and cost were not the primary execution factors :</b> | If a security is illiquid then likelihood of execution would become a primary factor alongside price and cost.   |
| <b>If and how the firm utilised data from RTS 27 reports :</b>                  | TRC use a third-party Transaction Cost Analysis (TCA) supplier to provide quantitative data for Best Execution assessment. During quarterly meetings, trading costs and market impact costs are reviewed by the Dealing Oversight Committee. Publication of RTS27 reports have not provided any additional data that can be quantitatively analysed.   |
| <b>If and how the firm utilised a CTP when making execution decisions :</b>     | N/A  |

## 6.1.2 Tick size liquidity bands 3 and 4

| 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 |
|---|--|--|
| Merrill Lynch International<br>LEI: GGDZP1UYGU9STUHRDP48                        | 28.5   | 51.1   |
| Kempen & Co<br>LEI: 2O302V7616D3HTVSXO60  | 15.2   | 9.3  |
| UBS Limited<br>LEI: REYPIEJN7XZHSUI0N355  | 13.0   | 6.9  |
| ABG Sundal Collier<br>LEI: 2138005DRCU66B8BNY04                                 | 5.3  | 5.3  |
| JP Morgan Securities<br>LEI: K6Q0W1PS1L1O4IQL9C32                               | 5.1  | 3.2  |
| <b>General Comments :</b>   | <p>Where the table above indicates execution venues, these are the brokers where the trade instructions have been placed.</p> <p>System enhancements to establish fix connectivity with brokers was undertaken during 2018 for TRC. A number of issues prevented trades to be executed via fix through the year, and where trades have been booked manually in our systems, the ability to record execution venue is not available.</p> <p>An example of this would be where the broker has chosen to take the trade onto their own book (systematic internaliser).</p> <p>We have chosen not to include this information as the data is only available for a small proportion of the traded volume and would be unrepresentative.</p>   |  |
| <b>Execution Factors :</b>  | <p>TRC operate in a niche market within wider equities. When considering different venues the most important factors are price discovery and liquidity.</p> <p>Equities tick band 3 &amp; 4 relates to securities which are traded with medium frequency (between 80 and 1999 trades per day).</p> <p>This represents 25.6% of the total equity turnover volume traded during 2018.</p> <p>A breakdown of currencies for this category indicates that 50.7% of trading volume settled in EUR, with an additional 23.8% in UK Sterling. The remaining trading activity is in Switzerland, Norway and Sweden, which is in line with our expectation that the majority of trading activity would be smaller and mid-cap listings pan-Europe.</p> <p>The greatest volume traded in this category was with Merrill Lynch, who provide a particularly consistent service pan-Europe. 54% of turnover executed through Merrill Lynch settled EUR, with 20% settling GBP. TRC utilise Merrill Lynch particularly for trading off the back of flow (client applications and redemptions). In this circumstance, it is normal to generate a large number of small transactions across the portfolio, targeting the market close price. Merrill Lynch are particularly proficient at providing service in this area.</p> <p>Kempen were the second broker in terms of turnover volume in this category, with around 90% of that volume settling EUR. Kempen are a sector specialist broker who offer a high market share in pan-European property names.</p> <p>UBS were the third broker, with 32% of volume settling CHF and 64% EUR. UBS have a high market share in Swiss securities.</p> |  |
| <b>Affiliations and Conflicts of Interest :</b>                                 | None   |  |
| <b>Specific financial arrangements with execution venues :</b>                  | None   |  |

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|--|--|
| <p><b>Changes in venue usage :</b></p>   | <p>TRC continually assess and monitor the venues on which we are active. We will add venues where we feel it will add to the delivery of best execution. This may involve entering into a new relationship as a result of market structure changes or a new venue becoming available that offers improved price quality and liquidity access.</p> <p>During 2018 we saw a concentration of turnover volume to a smaller number of counterparties, as a direct result of the impact of MIFID 2 in January 2018. Tick band analysis was not completed for 2017, so it is not possible to report a decrease in counterparties at the tick band level. However, the following brokers were not utilised during 2018 (which had been active in 2017), which would have been utilised for pan-European trading activity:</p> <ul style="list-style-type: none"> <li>• Berenberg Bank</li> <li>• Cenkos Securities</li> <li>• Commerzbank</li> <li>• Credit Suisse Securities</li> <li>• Morgan Stanley</li> <li>• Natixis</li> <li>• Raiffesen Centrobank</li> <li>• Shore Capital</li> <li>• Svenska Handelsbanken</li> </ul> |
| <p><b>Execution factors specific to customer types :</b></p>                           | <p>All customers are treated the same with regards to execution. Our customer base consists only of Professional Clients on this book.</p>   |
| <p><b>Situations where price and cost were not the primary execution factors :</b></p> | <p>None</p>  |
| <p><b>If and how the firm utilised data from RTS 27 reports :</b></p>                  | <p>TRC use a third-party Transaction Cost Analysis (TCA) supplier to provide quantitative data for Best Execution assessment. During quarterly meetings, trading costs and market impact costs are reviewed by the Dealing Oversight Committee. Publication of RTS27 reports have not provided any additional data that can be quantitatively analysed.</p>  |
| <p><b>If and how the firm utilised a CTP when making execution decisions :</b></p>     | <p>N/A</p>   |

### 6.1.3 Tick size liquidity bands 5 and 6

| 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 |
|---|--|--|
| Merrill Lynch International<br>LEI: GGDZP1UYGU9STUHRDP48                        | 41.6   | 53.3   |
| Kempen & Co<br>LEI: 2O302V7616D3HTVSXO60  | 14.6   | 6.9  |
| JP Morgan Securities<br>LEI: K6Q0W1PS1L1O4IQL9C32                               | 7.8  | 4.6  |
| Exane<br>LEI: 213800SH9MTNZQJKP526  | 7.1  | 3.7  |
| UBS Limited<br>LEI: REYPIEJN7XZHSUI0N355  | 6.7  | 6.9  |
| <b>General Comments :</b>   | <p>Where the table above indicates execution venues, these are the brokers where the trade instructions have been placed.</p> <p>System enhancements to establish fix connectivity with brokers was undertaken during 2018 for TRC. A number of issues prevented trades to be executed via fix through the year, and where trades have been booked manually in our systems, the ability to record execution venue is not available. An example of this would be where the broker has chosen to take the trade onto their own book (systematic internaliser).</p> <p>We have chosen not to include this information as the data is only available for a small proportion of the traded volume and would be unrepresentative.</p>  |  |
| <b>Execution Factors :</b>  | <p>TRC operate in a niche market within wider equities. When considering different venues the most important factors are price discovery and liquidity. Equities tick band 5 &amp; 6 relates to securities which are traded with high frequency (over 2000 trades per day).</p> <p>This represents 18.5% of total equity turnover volume traded during 2018. A breakdown of currencies for this category indicates that 79.0% of trading volume settled in EUR, with an additional 9.3% settling in Swedish Krona. The remaining trading activity is in UK (7.3%) and the United States (4.2%).</p> <p>This is consistent with our understanding that the majority of large property investment companies in our investable universe are European.</p> <p>The greatest volume traded in this category was with Merrill Lynch, who provide a consistent service pan-Europe. 90.8% of turnover in this category executed through Merrill Lynch settled EUR, with 6.3% SEK. In line with previous comments, the majority of trading activity generated on the back of flow is placed with Merrill Lynch.</p> <p>Kempen were the second broker in terms of turnover volume in this category, with 100.0% of that volume settling EUR. Again, in line with previous comments, Kempen have a high market share in the property sector.</p> <p>JP Morgan were the third broker with 81.6% settling EUR and the remainder GBP.</p> |  |
| <b>Affiliations and Conflicts of Interest :</b>                                 | None   |  |
| <b>Specific financial arrangements with execution venues :</b>                  | None   |  |

|  |  |
|--|--|
| <p><b>Changes in venue usage :</b></p>   | <p>TRC continually assess and monitor the venues on which we are active. We will add venues where we feel it will add to the delivery of best execution. This may involve entering into a new relationship as a result of market structure changes or a new venue becoming available that offers improved price quality and liquidity access.</p> <p>During 2018 we saw a concentration of turnover volume to a smaller number of counterparties, as a direct result of the impact of MIFID 2 in January 2018. Tick band analysis was not completed for 2017, so it is not possible to report a decrease in counterparties at the tick band level. However, the following brokers were not utilised during 2018 (which had been active in 2017), which would have been utilised for pan-European trading activity:</p> <ul style="list-style-type: none"> <li>• Berenberg Bank</li> <li>• Cenkos Securities</li> <li>• Commerzbank</li> <li>• Credit Suisse Securities</li> <li>• Morgan Stanley</li> <li>• Natixis</li> <li>• Raiffesen Centrobank</li> <li>• Shore Capital</li> <li>• Svenska Handelsbanken</li> </ul> |
| <p><b>Execution factors specific to customer types :</b></p>                           | <p>All customers are treated the same with regards to execution. Our customer base consists only of Professional Clients on this book.</p>   |
| <p><b>Situations where price and cost were not the primary execution factors :</b></p> | <p>None</p>  |
| <p><b>If and how the firm utilised data from RTS 27 reports :</b></p>                  | <p>TRC use a third-party Transaction Cost Analysis (TCA) supplier to provide quantitative data for Best Execution assessment. During quarterly meetings, trading costs and market impact costs are reviewed by the Dealing Oversight Committee. Publication of RTS27 reports have not provided any additional data that can be quantitatively analysed.</p>  |
| <p><b>If and how the firm utilised a CTP when making execution decisions :</b></p>     | <p>N/A</p>   |

## 6.2 Debt instruments

### 6.2.1 Money markets instruments

| 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 |
|---|--|--|
| Citigroup Global Markets Ltd<br>LEI: XKZZ2JZF41MRHTR1V493                       | 100.0  | 100.0  |
| <b>Execution Factors :</b>  | During 2018 TRC held sovereign bonds as a means of managing cash exposure within the portfolios. There were 2 trades only, and both were with Citigroup.   |  |
| <b>Affiliations and Conflicts of Interest :</b>                                 | None   |  |
| <b>Specific financial arrangements with execution venues :</b>                  | None   |  |
| <b>Changes in venue usage :</b>   | During 2018 TRC outsourced the trading of this asset class to BMO. There were no further trades through this reporting period.   |  |
| <b>Execution factors specific to customer types :</b>                           | All customers are treated the same with regards to execution. Our customer base consists only of Professional Clients on this book.  |  |
| <b>Situations where price and cost were not the primary execution factors :</b> | None   |  |
| <b>If and how the firm utilised data from RTS 27 reports :</b>                  | TRC use a third-party Transaction Cost Analysis (TCA) supplier to provide quantitative data for Best Execution assessment. During quarterly meetings, trading costs and market impact costs are reviewed by the Dealing Oversight Committee. Publication of RTS27 reports have not provided any additional data that can be quantitatively analysed. |  |
| <b>If and how the firm utilised a CTP when making execution decisions :</b>     | N/A  |  |

## 6.3 Currency derivatives

### 6.3.1 Swaps, forwards, and other currency derivatives

| 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 |
|---|--|--|
| BMO Asset Management Limited<br>LEI: 213800QTJQCIMJF3IA71                       | 100.0  | 100.0  |
| <b>General Comments :</b>   | TRC delegates dealing of FX forwards to BMO's Treasury Dealing team. All turnover initiated by TRC is included in the RTS 28 report published for BMO. |  |
| <b>Execution Factors :</b>  | Please refer to BMO RTS 28   |  |
| <b>Affiliations and Conflicts of Interest :</b>                                 | Please refer to BMO RTS 28   |  |
| <b>Specific financial arrangements with execution venues :</b>                  | Please refer to BMO RTS 28   |  |
| <b>Changes in venue usage :</b>   | Please refer to BMO RTS 28   |  |
| <b>Execution factors specific to customer types :</b>                           | Please refer to BMO RTS 28   |  |
| <b>Situations where price and cost were not the primary execution factors :</b> | Please refer to BMO RTS 28   |  |
| <b>If and how the firm utilised data from RTS 27 reports :</b>                  | Please refer to BMO RTS 28   |  |
| <b>If and how the firm utilised a CTP when making execution decisions :</b>     | Please refer to BMO RTS 28   |  |

## 6.4 Contracts for Difference

| 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 |
|---|--|--|
| Merrill Lynch International<br>LEI: GGDZP1UYGU9STUHRDP48                        | 31.9   | 39.2   |
| Goldman Sachs International<br>LEI: W22LROWP2IHZNBB6K528                        | 26.7   | 33.4   |
| Kempen & Co<br>LEI: 20302V7616D3HTVSXO60  | 8.1  | 5.1  |
| UBS Limited<br>LEI: REYPIEJN7XZHSUI0N355  | 7.8  | 4.3  |
| JP Morgan Securities<br>LEI: K6Q0W1PS1L1O4IQL9C32                               | 4.8  | 4.6  |
| <b>General Comments :</b>   | <p>Where the table above indicates execution venues, these are the brokers where the trade instructions have been placed.</p> <p>System enhancements to establish fix connectivity with brokers was undertaken during 2018 for TRC. A number of issues prevented trades to be executed via fix through the year, and where trades have been booked manually in our systems, the ability to record execution venue is not available.</p> <p>An example of this would be where the broker has chosen to take the trade onto their own book (systematic internaliser).</p> <p>We have chosen not to include this information as the data is only available for a small proportion of the traded volume and would be unrepresentative.</p>   |  |
| <b>Execution Factors :</b>  | <p>TRC trades contracts for difference over equity product only, and therefore trading in the market is that of the underlying equity. Factors affecting execution are therefore the same as for the Equities section earlier.</p> <p>For the purposes of transparency, the above table is showing the market execution of the equity transaction underlying the creation of the CFD.</p> <p>43% of total equity turnover in 2018 was booked out as CFD. There is no requirement to break CFD trading by tick band, however as all CFDs were written over equity product the breakdown can be provided:</p> <ul style="list-style-type: none"> <li>• Tickband 1 &amp; 2 : 19.8%</li> <li>• Tickband 3 &amp; 4 : 33.8%</li> <li>• Tickband 5 &amp; 6 : 35.7%</li> <li>• No tickband : 10.7%</li> </ul> <p>CFDs are written by each fund or client's authorised CFD provider. During 2018 there was a one-to-one relationship between CFD provider and fund – no fund had multiple CFD providers.</p> <p>A breakdown of volume traded per CFD provider indicates:</p> <ul style="list-style-type: none"> <li>• Goldman Sachs 76.9% turnover, 94.5% orders</li> <li>• ING 23.1%, 5.5% orders</li> </ul> <p>CFDs are traded across the entire investment strategy, with 39.3% of turnover volume over GBP, 31.8% over EUR and 25.2% over USD securities.</p> <p>In terms of executed turnover the largest volume of equity trades underlying CFD product were executed in the market through Merrill Lynch. 58.9% of that volume was GBP, and 36.1% EUR.</p> |  |

|   |  |
|---|--|
|   | <p>Second was Goldman Sachs, with 94.4% of turnover executed in the USD. Goldman Sachs are CFD provider to the portfolios trading US market. It is a requirement of the US market that CFDs can not be “given up” to third parties, therefore must be written by the CFD provider.</p> <p>Third was Kempen &amp; Co, with 87.7% of turnover executed over EUR.</p> |
| <b>Affiliations and Conflicts of Interest :</b>                                 | None   |
| <b>Specific financial arrangements with execution venues :</b>                  | None   |
| <b>Changes in venue usage :</b>   | <p>CFDs are written by each fund/client’s authorised CFD provider. These are determined by the legal agreements entered into on behalf of each fund.</p> <p>During 2018 there was a one-to-one relationship between CFD provider and fund – no fund had multiple CFD providers.</p> <p>There were no venues added or discontinued during 2018.</p>                 |
| <b>Execution factors specific to customer types :</b>                           | All customers are treated the same with regards to execution. Where the same underlying equity is being traded CFD and Cash Settlement on a particular day, additional post-trade analysis ensures that customers have been treated fairly.  |
| <b>Situations where price and cost were not the primary execution factors :</b> | For the US market, CFD trades must be executed with the CFD provider. Where the same underlying security is being traded CFD and cash settlement on the same day,  |
| <b>If and how the firm utilised data from RTS 27 reports :</b>                  | TRC use a third-party Transaction Cost Analysis (TCA) supplier to provide quantitative data for Best Execution assessment. During quarterly meetings, trading costs and market impact costs are reviewed by the Dealing Oversight Committee. Publication of RTS27 reports have not provided any additional data that can be quantitatively analysed.               |
| <b>If and how the firm utilised a CTP when making execution decisions :</b>     | N/A  |

## 6.5 Other instruments

| 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 |
|---|--|--|
| BMO Asset Management Limited<br>LEI: 213800QTJCQIMJF3IA71                       | 71.4   | 75.5   |
| Goldman Sachs International<br>LEI: W22LROWP2IHZNBB6K528                        | 19.2   | 21.5   |
| Merrill Lynch International<br>LEI: GGDZP1UYGU9STUHRDP48                        | 6.6  | 0.7  |
| Bloomberg Tradebook<br>LEI: 5493002FO2Q9EGLQ2416                                | 1.4  | 1.7  |
| Kempen & Co<br>LEI: 20302V7616D3HTVSXO60  | 1.4  | 0.7  |
| <b>General Comments :</b>   | Where the table above indicates execution venues, these are the brokers where the trade instructions have been placed.   |  |
| <b>Execution Factors :</b>  | <p>The turnover in this category represents less than 1% of total equity and CFD turnover for 2018.</p> <p>Turnover booked to BMO Asset Management is in relation to interfunding trading activity where one TRC property fund holds units in another. The dealing of unitised product is delegated to BMO.</p> <p>The remaining turnover is cash settlement equity trading activity where the equity does not currently have a tick band. This represents 0.3% of the total equity turnover for 2018.</p> |  |
| <b>Affiliations and Conflicts of Interest :</b>                                 | None   |  |
| <b>Specific financial arrangements with execution venues :</b>                  | None   |  |
| <b>Changes in venue usage :</b>   | None   |  |
| <b>Execution factors specific to customer types :</b>                           | All customers are treated the same with regards to execution   |  |
| <b>Situations where price and cost were not the primary execution factors :</b> | None   |  |
| <b>If and how the firm utilised data from RTS 27 reports :</b>                  | TRC use a third-party Transaction Cost Analysis (TCA) supplier to provide quantitative data for Best Execution assessment. During quarterly meetings, trading costs and market impact costs are reviewed by the Dealing Oversight Committee. Publication of RTS27 reports have not provided any additional data that can be quantitatively analysed.   |  |
| <b>If and how the firm utilised a CTP when making execution decisions :</b>     | N/A  |  |

### Important Information:

Information herein is believed to be reliable but we do not warrant its completeness or accuracy. Any data has been sourced by us and is provided without any warranties of any kind. It should be independently verified before further publication or use. Third party data is owned or licenced by the data provider and may not be reproduced, extracted or used for any other purpose without the data provider's consent. Neither we, nor the data provider, will have any liability in connection with the third party data. The material is not intended to provide, and should not be relied on for accounting, legal or tax advice. Issued by BMO Global Asset Management (EMEA), Primrose Street, London EC2A 2NY

## Appendix : RTS 28 list of financial instruments

|           |  | Trading venue data | Counterparty data |
|-----------|--|--------------------|-------------------|
| <b>a.</b> | <b>Equities – Shares and depositary receipts</b>   |                    |                   |
|           | i. Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)  |                    |                   |
|           | ii. Tick size liquidity bands 3 and 4 (from 80 to 1,999 trades per day)  |                    |                   |
|           | iii. Tick size liquidity bands 5 and 6 (from 2,000 trades per day)   |                    |                   |
| <b>b.</b> | <b>Debt instruments</b>  |                    |                   |
|           | i. Bonds   |                    |                   |
|           | ii. Money markets instruments  |                    |                   |
| <b>c.</b> | <b>Interest rates derivatives</b>  |                    |                   |
|           | i. Futures and options admitted to trading on a trading venue  |                    |                   |
|           | ii. Swaps, forwards, and other interest rates derivatives  |                    |                   |
| <b>d.</b> | <b>Credit derivatives</b>  |                    |                   |
|           | i. Futures and options admitted to trading on a trading venue  |                    |                   |
|           | ii. Other credit derivatives   |                    |                   |
| <b>e.</b> | <b>Currency derivatives</b>  |                    |                   |
|           | i. Futures and options admitted to trading on a trading venue  |                    |                   |
|           | ii. Swaps, forwards, and other currency derivatives  |                    |                   |
| <b>f.</b> | <b>Structured finance instruments</b>  |                    |                   |
| <b>g.</b> | <b>Equity derivatives</b>  |                    |                   |
|           | i. Options and Futures admitted to trading on a trading venue  |                    |                   |
|           | ii. Swaps and other equity derivatives   |                    |                   |
| <b>h.</b> | <b>Securitised derivatives</b>   |                    |                   |
|           | i. Warrants and certificate derivatives  |                    |                   |
|           | ii. Other securitised derivatives  |                    |                   |
| <b>i.</b> | <b>Commodities derivatives</b>   |                    |                   |
|           | i. Options and Futures admitted to trading on a trading venue  |                    |                   |
|           | ii. Other commodities derivatives  |                    |                   |
| <b>j.</b> | <b>Contracts for difference</b>  |                    |                   |
| <b>k.</b> | <b>Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)</b> |                    |                   |
| <b>l.</b> | <b>Emission allowances</b>   |                    |                   |
| <b>m.</b> | <b>Other instruments</b>   |                    |                   |