

## Handelsbanken Asset Management Annual Best Execution Summary Analysis (RTS 28) – 2018

**Original publication date: April 2019**

**Amended and republished: July 2020<sup>1</sup>**

**Reporting period: 1 January 2018 – 31 December 2018<sup>2</sup>**

In accordance with Handelsbanken Asset Management's ("HAM") best execution obligations under MiFID II (Markets in Financial Instruments Directive II), we are required to publish an annual report which: (a) summarises the analysis and conclusions drawn from the monitoring of the quality of execution obtained from execution venues used by HAM; and, (b) details the top five execution venues in terms of trading volumes for all orders placed per class of financial instrument for the preceding calendar year.

This document summarises the analysis and conclusions drawn from the monitoring of the quality of execution obtained from execution venues in 2018 (the "Report"). This Report details the top five execution venues for each class of instrument for both professional and retail clients respectively. The following information is provided for each class of financial instrument in which HAM has executed trades:

- a. The Execution Factors: detailing the relative importance that HAM gave to the execution factors of price, cost, speed, likelihood of execution or any other considerations including qualitative factors when assessing the quality of execution;
- b. Close Links: details of any close links and/or conflicts of interests with regard to any execution venues used by HAM;
- c. Specific Arrangements: details of any specific arrangements that HAM has with any execution venues for example, payments made or received, discounts, rebates or any non-monetary benefits received;
- d. Change in Execution Venues: details of any changes, if any, made to the list of execution venues used by HAM together with an explanation as to why such change was made;
- e. Client Categorisation: rationale for different approaches to order execution according to client categorisation and, if applicable, situations where HAM treats clients differently in such a way that it may affect order execution arrangements; and
- f. Data and Tool Usage: details of how HAM has used any data or tools relating to the quality of execution including any data published by execution venues and/or systematic internalisers.

HAM's Order Execution Policy can be found on HAM's website under <https://www.wealthandasset.handelsbanken.co.uk/best-execution-and-order-handling/>.

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<sup>1</sup> Following an internal review, the original Report dated April 2019 has been amended and republished on 9 July 2020 to reflect updated data which has become available.

<sup>2</sup> During the Reporting Period, prior to a rebrand exercise on 9 November 2020, Handelsbanken Asset Management was Heartwood Investment Management.

## 1. Equities – Shares & Depositary Receipts

### Qualitative Review

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#### Execution Factors

When we trade in shares and depositary receipts, when we assess the quality of execution, the main factors we consider are price and costs. We also consider the speed and likelihood of execution; type and size of order; and, settlement. When dealing in less liquid securities, speed and likelihood of execution may take precedence over price and costs.

The majority of orders were placed with BNY Mellon's brokerage services during the reporting period. We use BNY Mellon's brokerage services when access to execution venues is limited, or where it is not cost efficient to do so since the set up and ongoing due diligence to access these execution venues outweighs the cost paid for utilising their brokerage services. For these trades, BNY Mellon charge a flat fee of 7 basis points or 0.07% of the trade amount.

Please see our Order Execution Policy for more detail on how we apply execution factors to client orders and how we prioritise those factors.

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#### Close Links

HAM does not have any close links, conflicts of interests, or common ownerships with respect to any execution venues or brokers used to execute orders in equities (shares and depositary receipts).

Any dealings or relationships between HAM and execution venues or brokers are conducted in accordance with our Conflicts of Interest Policy.

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#### Specific Arrangements

HAM does not have any specific arrangements with any execution venues or brokers used to execute orders in equities (shares and depositary receipts) regarding payments made or received, discounts, rebates or non-monetary benefits. However, HAM uses BNY Mellon's Depositary and Custodial services.

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#### Change in Execution Venues

There have been no changes to the list of execution venues during the reporting period.

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#### Order Execution by Client Categorisation

We have a number of retail and professional clients. We acknowledge that there are inherent differences between client types, the different services that we offer and the outcomes agreed for each individual client. Therefore, rather than taking a "one size fits all" approach, order execution may differ according to client categorisation; by doing so, we are able to focus on the execution factors that are important for each type of client. Our approach has been developed with regard to best industry practice, regulation and law.

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#### Data and Tool Usage

We consistently monitor the quality of execution provided by execution venues and brokers through the use of automatic monitoring tools and regular qualitative analysis of the data.

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#### Due Diligence

We conduct thorough initial and ongoing due diligence on execution venues and brokers to ensure we are receiving the best quality execution. We consider qualitative factors, such as market access, liquidity, market knowledge and product expertise, order handling process and trading costs.

## Top 5 Execution Venues

### Equities – Shares & Depositary Receipts

#### Class of Instrument

Equities – Shares & Depositary Receipts - liquidity bands 1 and 2 (from 0 to 79 trades per day)

#### Retail Clients

Class of Instrument	Equities – Shares & Depositary Receipts – liquidity bands 1 and 2				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders <sup>3</sup>	Percentage of aggressive orders <sup>4</sup>	Percentage of directed orders <sup>5</sup>
BANK OF NEW YORK 213800O5FBGOWU89LN14	74.29	16.81	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	13.98	34.80	N/A	N/A	N/A
SOCIETE GENERALE O2RNE8IBXP4R0TD8PU41	5.83	20.12	N/A	N/A	N/A
SUSQUEHANNA INTERNATIONAL SECS 635400IAV22ZOU1NFS89	2.60	20.48	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	1.96	5.14	N/A	N/A	N/A

#### Professional Clients

Class of Instrument	Equities – Shares & Depositary Receipts – liquidity bands 1 and 2				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BANK OF NEW YORK 213800O5FBGOWU89LN14	58.19	16.78	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	26.53	58.26	N/A	N/A	N/A
SOCIETE GENERALE O2RNE8IBXP4R0TD8PU41	5.08	9.13	N/A	N/A	N/A
NUMIS SECURITIES LIMITED 213800P3F4RT97WDSX47	3.09	1.21	N/A	N/A	N/A
SUSQUEHANNA INTERNATIONAL SECS 635400IAV22ZOU1NFS89	2.54	7.52	N/A	N/A	N/A

<sup>3</sup> "Passive order" means an order entered into the order book that provided liquidity

<sup>4</sup> "Aggressive order" means an order entered into the order book that took liquidity

<sup>5</sup> "Directed order" means an order where a specific execution venue was specified by the client prior to the execution of the order

**Class of Instrument**

Equities – Shares & Depositary Receipts - liquidity bands 3 and 4 (from 80 to 1999 trades per day)

**Retail Clients**

Class of Instrument	Equities – Shares & Depositary Receipts – liquidity bands 3 and 4				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BANK OF NEW YORK 213800O5FBGOWU89LN14	50.08	14.37	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	31.90	46.86	N/A	N/A	N/A
SUSQUEHANNA INTERNATIONAL SECS 635400IAV22ZOU1NFS89	12.50	17.62	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	2.81	5.19	N/A	N/A	N/A
SOCIETE GENERALE O2RNE8IBXP4R0TD8PU41	1.86	8.95	N/A	N/A	N/A

**Professional Clients**

Class of Instrument	Equities – Shares & Depositary Receipts – liquidity bands 3 and 4				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BANK OF NEW YORK 213800O5FBGOWU89LN14	38.65	9.61	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	29.20	61.69	N/A	N/A	N/A
SUSQUEHANNA INTERNATIONAL SECS 635400IAV22ZOU1NFS89	23.27	13.38	N/A	N/A	N/A
SOCIETE GENERALE O2RNE8IBXP4R0TD8PU41	5.15	5.71	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	2.92	2.86	N/A	N/A	N/A

**Class of Instrument**

Equities – Shares & Depositary Receipts - liquidity bands 5 and 6 (from 2000 trades per day)

**Retail Clients**

<b>Class of Instrument</b>	Equities – Shares & Depositary Receipts – liquidity bands 5 and 6				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	Yes				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
BANK OF NEW YORK 213800O5FBGOWU89LN14	88.47	40.76	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	11.48	58.82	N/A	N/A	N/A
DEFAULT COUNTERPARTY 213800HK727V5W117K12	0.05	0.42	N/A	N/A	N/A

**Professional Clients**

<b>Class of Instrument</b>	Equities – Shares & Depositary Receipts – liquidity bands 5 and 6				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	Yes				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
BANK OF NEW YORK 213800O5FBGOWU89LN14	100.00	100.00	N/A	N/A	N/A

## 2. Debt Instruments

### Qualitative Review

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#### Execution Factors

When we assess the quality of execution for debt instruments, the main factor we consider is execution price, with the aim to maximise value for our clients.

Illiquidity in the debt market may cause other factors to take precedence over price for example, the likelihood of execution where the probability of trades failing increases.

We trade debt instruments predominantly with market makers via order execution platforms such as Tradeweb. When we place trades via the order execution platforms, we select market makers based on cost. The selected market makers are polled against each other and executed based on price.

Please see our Order Execution Policy for more detail on how we apply execution factors to client orders and how we prioritise those factors.

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#### Close Links

HAM does not have any close links, conflicts of interests, or common ownerships with respect to any execution venues or brokers used to execute orders in debt instruments.

Any dealings or relationships between HAM and execution venues or brokers are conducted in accordance with our Conflicts of Interest Policy.

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#### Specific Arrangements

HAM does not have any specific arrangements with any execution venues or brokers used to execute orders in debt instruments regarding payments made or received, discounts, rebates or non-monetary benefits.

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#### Change in Execution Venues

There have been no changes to the list of execution venues during the reporting period.

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#### Order Execution by Client Categorisation

We have a number of retail and professional clients. We acknowledge that there are inherent differences between client types, the different services that we offer and the outcomes agreed for each individual client. Therefore, rather than taking a “one size fits all” approach, order execution may differ according to client categorisation; by doing so, we are able to focus on the execution factors that are important for each type of client. Our approach has been developed with regard to best industry practice, regulation and law.

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#### Data and Tool Usage

We consistently monitor the quality of execution provided by execution venues and brokers through the use of automatic monitoring tools and regular qualitative analysis of the data.

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#### Due Diligence

We conduct thorough initial and ongoing due diligence on execution venues and brokers to ensure we are receiving the best quality execution. We consider qualitative factors, such as market access, liquidity, market knowledge and product expertise, order handling process and trading costs.

## Top 5 Execution Venues Debt Instruments - Bonds

**Class of Instrument**  
Debt Instruments - Bonds

### Retail Clients

Class of Instrument	Debt Instruments - Bonds				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
RBS GLOBAL BANKING & MARKETS RR3QWICWWIPCS8A4S074	47.58	66.58	N/A	N/A	N/A
BANK OF NEW YORK 213800O5FBGOWU89LN14	35.17	2.06	N/A	N/A	N/A
BARCLAYS BANK PLC (GILTS) K9WDOH4D2PYBSLSOB484	11.25	25.71	N/A	N/A	N/A
JEFFERIES S5THZMDUJCTQZBTRV198	5.67	5.40	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	0.33	0.26	N/A	N/A	N/A

### Professional Clients

Class of Instrument	Debt Instruments - Bonds				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BARCLAYS BANK PLC (GILTS) K9WDOH4D2PYBSLSOB484	52.44	37.95	N/A	N/A	N/A
RBS GLOBAL BANKING & MARKETS RR3QWICWWIPCS8A4S074	44.90	49.40	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	1.37	1.81	N/A	N/A	N/A
JEFFERIES S5THZMDUJCTQZBTRV198	1.28	1.20	N/A	N/A	N/A
SG PARIS BONDS (EUROCLEAR) O2RNE8IBXP4R0TD8PU41	0.00	9.64	N/A	N/A	N/A

### 3. Securitised Derivatives

#### Qualitative Review

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##### Execution Factors

When we assess the quality of execution for securitised derivatives, we consider all execution factors set out in our Order Execution Policy; however, the main factor we consider is likelihood of execution.

When making a decision to invest in derivatives or derivative-embedded structures, we aim to ascertain the 'fairness' and 'robustness' of the proposed price quoted by the provider by, where appropriate, gathering the data used in the derivation of the price or comparing with similar products or a model price (from an appropriate data vendor).

Please see our Order Execution Policy for more detail on how we apply execution factors to client orders and how we prioritise those factors.

Liquidity conditions may mean that only one provider is able or willing to provide a price. In such circumstances, Investment Managers may decide that the investment case is strong enough to merit an investment in portfolios.

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##### Close Links

HAM does not have any close links, conflicts of interests, or common ownerships with respect to any execution venues or brokers used to execute orders in securitised derivatives.

Any dealings or relationships between HAM and execution venues or brokers are conducted in accordance with our Conflicts of Interest Policy.

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##### Specific Arrangements

HAM does not have any specific arrangements with any execution venues or brokers used to execute orders in securitised derivatives regarding payments made or received, discounts, rebates or non-monetary benefits.

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##### Change in Execution Venues

There have been no changes to the list of execution venues during the reporting period.

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##### Order Execution by Client Categorisation

We have a number of retail and professional clients. We acknowledge that there are inherent differences between client types, the different services that we offer and the outcomes agreed for each individual client. Therefore, rather than taking a "one size fits all" approach, order execution may differ according to client categorisation; by doing so, we are able to focus on the execution factors that are important for each type of client. Our approach has been developed with regard to best industry practice, regulation and law.

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##### Data and Tool Usage

We consistently monitor the quality of execution provided by execution venues and brokers through the use of automatic monitoring tools and regular qualitative analysis of the data.

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##### Due Diligence

We conduct thorough initial and ongoing due diligence on execution venues and brokers to ensure we are receiving the best quality execution. We consider qualitative factors, such as market access, liquidity, market knowledge and product expertise, order handling process and trading costs.

## Top 5 Execution Venues Securitised Derivatives

### Class of Instrument

Securitised Derivatives - Warrants and Certificate Derivatives

#### Retail Clients

<b>Class of Instrument</b>	Securitised Derivatives – Warrants and Certificate Derivatives				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	Yes				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
J P MORGAN SECURITIES (EUROCLEAR) 5493002TGQZJYFGIVG53	100.00	100.00	N/A	N/A	N/A

#### Professional Clients

<b>Class of Instrument</b>	Securitised Derivatives – Warrants and Certificate Derivatives				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	Yes				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
J P MORGAN SECURITIES (EUROCLEAR) 5493002TGQZJYFGIVG53	100.0	100.0	N/A	N/A	N/A

### Class of Instrument

Securitised Derivatives – Other Securitised Derivatives

#### Retail Clients

<b>Class of Instrument</b>	Securitised Derivatives – Other Securitised Derivatives				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	Yes				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	100.00	100.00	N/A	N/A	N/A

## 4. Exchange Traded Products

### Qualitative Review

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#### Execution Factors

When we assess the quality of execution for exchange traded products, the main factors we consider are execution price and costs.

Illiquidity and size of the trade may cause other factors to take precedence over price for example, the likelihood of execution. For smaller or more illiquid trades, where there is limited market capitalisation, such trades may be subject to a creation fee set by the market maker which may impact the execution price.

We trade exchange traded products via the order execution platform Tradeweb, with a number of select counterparties. In certain circumstances, usually for smaller trades or where Tradeweb is unable to transmit the order on our behalf, deals may be executed directly with the counterparty. The selected market makers are polled against each other and executed based on price.

Please see our Order Execution Policy for more detail on how we apply execution factors to client orders and how we prioritise those factors.

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#### Close Links

HAM does not have any close links, conflicts of interests, or common ownerships with respect to any execution venues or brokers used to execute orders in exchange traded products.

Any dealings or relationships between HAM and execution venues or brokers are conducted in accordance with our Conflicts of Interest Policy.

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#### Specific Arrangements

HAM does not have any specific arrangements with any execution venues or brokers used to execute orders in exchange traded products regarding payments made or received, discounts, rebates or non-monetary benefits.

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#### Change in Execution Venues

There have been no changes to the list of execution venues during the reporting period.

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#### Order Execution by Client Categorisation

We have a number of retail and professional clients. We acknowledge that there are inherent differences between client types, the different services that we offer and the outcomes agreed for each individual client. Therefore, rather than taking a “one size fits all” approach, order execution may differ according to client categorisation; by doing so, we are able to focus on the execution factors that are important for each type of client. Our approach has been developed with regard to best industry practice, regulation and law.

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#### Data and Tool Usage

We consistently monitor the quality of execution provided by execution venues and brokers through the use of automatic monitoring tools and regular qualitative analysis of the data.

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#### Due Diligence

We conduct thorough initial and ongoing due diligence on execution venues and brokers to ensure we are receiving the best quality execution. We consider qualitative factors, such as market access, liquidity, market knowledge and product expertise, order handling process and trading costs.

## Top 5 Execution Venues Exchange Traded Products

### Class of Instrument

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

#### Retail Clients

<b>Class of Instrument</b>	Exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities)				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	No				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
SUSQUEHANNA INTERNATIONAL SECS 6354001AV22ZOU1NFS89	81.24	52.71	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	9.62	9.69	N/A	N/A	N/A
SOCIETE GENERALE O2RNE8IBXP4R0TD8PU41	4.12	9.36	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	3.49	22.66	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD (FI) 8BRUP6V1DX3PIG2R0745	1.12	1.64	N/A	N/A	N/A

#### Professional Clients

<b>Class of Instrument</b>	Exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities)				
<b>Notification is &lt;1 average trade per business day in the previous year</b>	Yes				
<b>Top five execution venues ranked in terms of trading volumes (in descending order)</b>	<b>Proportion of volume executed as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
SUSQUEHANNA INTERNATIONAL SECS 6354001AV22ZOU1NFS89	88.25	59.59	N/A	N/A	N/A
BARCLAYS CAPITAL SECURITIES K9WDOH4D2PYBSLSOB484	8.01	6.16	N/A	N/A	N/A
SOCIETE GENERALE O2RNE8IBXP4R0TD8PU41	2.18	9.59	N/A	N/A	N/A
CITIGROUP GLOBAL MARKETS LTD XKZZ2JZF41MRHTR1V493	1.14	4.11	N/A	N/A	N/A
WINTERFLOODS SECURITIES LTD 8BRUP6V1DX3PIG2R0745	0.32	19.86	N/A	N/A	N/A

## 5. Other Instruments – Collective Investment Schemes

### Qualitative Review

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#### Execution Factors

When we assess the quality of execution for Collective Investment Schemes (CIS), the main factors we consider are the likelihood of execution and settlement, together with costs. The costs associated with the trade directly impacts the price and, therefore, performance.

We execute CIS trades through Calastone, an order routing system, directly with the administrator of the CIS. Trades are submitted prior to the CIS dealing cut-off time and priced at the next pricing point. We do not pay fees for placing orders via Calastone.

Please see our Order Execution Policy for more detail on how we apply execution factors to client orders and how we prioritise those factors.

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#### Close Links

HAM does not have any close links, conflicts of interests, or common ownerships with respect to any execution venues or brokers used to execute orders in CIS.

Any dealings or relationships between HAM and execution venues or brokers are conducted in accordance with our Conflicts of Interest Policy.

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#### Specific Arrangements

HAM does not have any specific arrangements with any execution venues or brokers used to execute orders in other instruments regarding payments made or received, discounts or rebates. Any non-monetary benefit is managed in accordance with our Conflicts of Interest Policy.

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#### Change in Execution Venues

There have been no changes to the list of execution venues during the reporting period.

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#### Order Execution by Client Categorisation

We have a number of retail and professional clients. We acknowledge that there are inherent differences between client types, the different services that we offer and the outcomes agreed for each individual client. Therefore, rather than taking a “one size fits all” approach, order execution may differ according to client categorisation; by doing so, we are able to focus on the execution factors that are important for each type of client. Our approach has been developed with regard to best industry practice, regulation and law.

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#### Data and Tool Usage

We consistently monitor the quality of execution provided by execution venues and brokers through the use of automatic monitoring tools and regular qualitative analysis of the data.

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#### Due Diligence

We conduct thorough initial and ongoing due diligence on execution venues and brokers to ensure we are receiving the best quality execution. We consider qualitative factors, such as market access, liquidity, market knowledge and product expertise, order handling process and trading costs.

## Top 5 Execution Venues

### Other Instruments – Collective Investment Schemes

#### Class of Instrument

Other Instruments – Collective Investment Schemes

#### Retail Clients

Class of Instrument	Other Instruments				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
LINK FUND SOLUTIONS 213800X5W8ARSPPOOG16	93.88	85.06	N/A	N/A	N/A
J P MORGAN (CASH FUNDS) 5493002TGQZJYFGIVG53	0.70	0.09	N/A	N/A	N/A
MAJEDIE 549300Y0V6F2MPNIK094	0.52	0.49	N/A	N/A	N/A
APEX FUND SERVICES 213800467GC2A98I3V15	0.51	0.27	N/A	N/A	N/A
FIDELITY (CASH FUNDS) 5493001OQ4Z35PKNUA37	0.50	0.11	N/A	N/A	N/A

#### Professional Clients

Class of Instrument	Other Instruments				
Notification is <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes (in descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
MAJEDIE 549300Y0V6F2MPNIK094	12.69	5.96	N/A	N/A	N/A
FOREIGN & COLONIAL 2138006D76PA3UE82V16	10.50	0.84	N/A	N/A	N/A
SCHRODER 213800FSOURHTU26KV32	10.40	4.51	N/A	N/A	N/A
GLG INVESTMENTS 2549009ARDZE5PJY3O49	9.20	2.83	N/A	N/A	N/A
APEX FUND SERVICES 213800467GC2A98I3V15	7.82	1.45	N/A	N/A	N/A