

Link Market Services Trustees Limited – RTS 28 Report

INTRODUCTION

The purpose of this document is to provide, for financial instruments traded by Link Market Services Trustees Limited (LMSTL), a summary of the top five execution counterparties in terms of trading volumes through which LMSTL routed client orders in 2020, as well as provide an insight into the quality of execution obtained from these counterparties.

As per LMSTL's terms and conditions of trading, it complies with the regulatory obligation to act in its clients' best interests when receiving orders and transmitting them to brokers for execution. LMSTL monitors these brokers and reviews their performance. LMSTL maintains a high level of attention around execution to ensure that best execution is effectively attained on a consistent basis as outlined in its best execution policy available online at <https://ww2.linkgroup.eu/media/ejepnwrp/bestexecutionpolicyoct20.pdf>

This document complies with the requirements set out in Regulatory Technical Standards 28 under Annex I of MiFID II (Directive 2014/65/EU).

The data below outlines the top five counterparties to which LMSTL transferred orders in 2020 by categorisation.

Class of Instrument - Equities (Shares and Depositary Receipts)

Retail Client Trades

BAND 1&2 - Shares where the average volume of trades per day in that share is less than 80

Notification if < 1 average trade per business day

in the previous year - NO

| LEI | BROKER | Proportion of volume traded 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 |
|----------------------|------------------------|--|--|------------------------------|---------------------------------|-------------------------------|
| 8BRUP6V1DX3PIG2R0745 | Winterflood Securities | 70.12% | 83.45% | n/a | n/a | 0.0183% |
| 5493007DWN0R4YBM4C84 | Peel Hunt LLP | 7.48% | 5.36% | n/a | n/a | 0.0949% |
| 84S0VF8TSMH0T6D4K848 | Investec Securities | 4.21% | 2.82% | n/a | n/a | 0.0000% |
| 213800P3F4RT97WDSX47 | Numis Securities Ld | 3.50% | 0.67% | n/a | n/a | 38.1679% |
| 549300KM6VUHPKQLQX53 | Cantor Fitzgerald | 3.09% | 0.10% | n/a | n/a | 0.0000% |

BAND 3&4 - Shares where the average volume of trades per day in that share is between 80 and less than 2000

Notification if < 1 average trade per business day

in the previous year - NO

| LEI | BROKER | Proportion of volume traded 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 |
|----------------------|---------------------------------|--|--|------------------------------|---------------------------------|-------------------------------|
| 8BRUP6V1DX3PIG2R0745 | Winterflood Securities | 47.09% | 89.05% | n/a | n/a | 0.0824% |
| 5493007DWN0R4YBM4C84 | Peel Hunt LLP | 19.47% | 4.72% | n/a | n/a | 0.0000% |
| S5THZMDUJCTQZBTRVI98 | Jefferies International Limited | 18.25% | 0.17% | n/a | n/a | 0.0000% |
| 213800P3F4RT97WDSX47 | Numis Securities Ld | 4.88% | 0.56% | n/a | n/a | 69.5652% |
| 84S0VF8TSMH0T6D4K848 | Investec Securities | 3.95% | 2.56% | n/a | n/a | 0.4785% |

BAND 5&6 - Shares where the average volume of trades per day in that share is 2000 or greater

Notification if < 1 average trade per business day

in the previous year - NO

| LEI | BROKER | Proportion of volume traded 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 |
|----------------------|---------------------------------|--|--|------------------------------|---------------------------------|-------------------------------|
| 8BRUP6V1DX3PIG2R0745 | Winterflood Securities | 28.08% | 78.00% | n/a | n/a | 0.0149% |
| 213800F6CHS1SEYK1842 | Zeus Capital Limited | 20.94% | 0.02% | n/a | n/a | 100.0000% |
| S5THZMDUJCTQZBTRVI98 | Jefferies International Limited | 14.36% | 0.51% | n/a | n/a | 1.1494% |
| 213800BVEFNZ8UYPKL03 | Stifel Limited | 10.73% | 2.60% | n/a | n/a | 0.2237% |
| 5493007DWN0R4YBM4C84 | Peel Hunt LLP | 7.53% | 4.18% | n/a | n/a | 0.0000% |

Professional Client Trades

BAND 1&2 - Shares where the average volume of trades per day in that share is less than 80
Notification if < 1 average trade per business day
in the previous year - NO

| LEI | BROKER | Proportion of volume traded 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 |
|----------------------|---------------------------|--|--|------------------------------|---------------------------------|-------------------------------|
| 8BRUP6V1DX3PIG2R0745 | Winterflood Securities | 34.38% | 81.45% | n/a | n/a | 0.0721% |
| 5493007DWN0R4YBM4C84 | Peel Hunt LLP | 20.58% | 7.13% | n/a | n/a | 0.0000% |
| 213800BVEFNZ8UYPKL03 | Stifel Limited | 18.11% | 3.55% | n/a | n/a | 0.0000% |
| 84S0VF8TSMH0T6D4K848 | Investec Securities | 11.92% | 5.17% | n/a | n/a | 1.1364% |
| ZBU7VFV5NIMN4ILRFC23 | Canaccord Genuity Limited | 5.39% | 0.82% | n/a | n/a | 0.0000% |

BAND 3&4 - Shares where the average volume of trades per day in that share is between 80 and less than 2000
Notification if < 1 average trade per business day
in the previous year - NO

| LEI | BROKER | Proportion of volume traded 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 |
|----------------------|---------------------------|--|--|------------------------------|---------------------------------|-------------------------------|
| 8BRUP6V1DX3PIG2R0745 | Winterflood Securities | 64.95% | 85.21% | n/a | n/a | 0.0000% |
| 5493007DWN0R4YBM4C84 | Peel Hunt LLP | 28.66% | 9.73% | n/a | n/a | 0.0000% |
| 84S0VF8TSMH0T6D4K848 | Investec Securities | 4.69% | 1.56% | n/a | n/a | 0.0000% |
| 213800P3F4RT97WDSX47 | Numis Securities Ltd | 0.85% | 1.56% | n/a | n/a | 0.0000% |
| ZBU7VFV5NIMN4ILRFC23 | Canaccord Genuity Limited | 0.59% | 0.78% | n/a | n/a | 0.0000% |

BAND 5&6 - Shares where the average volume of trades per day in that share is 2000 or greater
Notification if < 1 average trade per business day
in the previous year - NO

| LEI | BROKER | Proportion of volume traded 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 |
|----------------------|---------------------------------|--|--|------------------------------|---------------------------------|-------------------------------|
| ZBU7VFV5NIMN4ILRFC23 | Canaccord Genuity Limited | 25.71% | 1.68% | n/a | n/a | 0.0000% |
| 8BRUP6V1DX3PIG2R0745 | Winterflood Securities | 25.35% | 85.63% | n/a | n/a | 0.0417% |
| 213800BVEFNZ8UYPKL03 | Stifel Limited | 24.90% | 3.82% | n/a | n/a | 0.0000% |
| 5493007DWN0R4YBM4C84 | Peel Hunt LLP | 10.96% | 4.11% | n/a | n/a | 0.0000% |
| S5THZMDUJCTQZBTRV198 | Jefferies International Limited | 6.38% | 0.43% | n/a | n/a | 0.0000% |

Where proportion of volume is defined as the number of shares dealt through that broker divided by the total number of shares dealt in that tick bracket.

Where proportion of orders is defined as the number of orders dealt through that broker divided the total number of orders dealt in that tick bracket.

Where percentage of directed orders is defined as the number of directed trades for a given broker divided by the total number of trades for that broker.

There are 3 bands for equities and each refers to the liquidity of the share derived from the number of times a day it is traded across European markets.

ORDER EXECUTION

LMSTL recognises that for retail clients the most important factor to determine best execution is the total consideration in terms of the price of the securities in question and the related execution costs payable by the client. Consequently price and costs of execution are normally selected as the most important factors for the execution of a trade. This approach is also taken in the execution of orders for professional clients.

In some cases, LMSTL prioritises the likelihood of execution and settlement over the immediate price and cost of execution, such instances are common where the stock being traded is illiquid. LMSTL may also prioritise the speed of execution over the immediate price and cost of execution where directed to do so by the client, should they require the trade to be executed within a short time scale (e.g. a trade placed briefly before the end of the tax year).

CLOSE LINKS

Orders in listed securities received through LMSTL's Telephone and Internet Dealing Service are normally undertaken by LMSTL as agent through its share dealing platform. This service is provided to LMSTL by Winterflood Securities Limited ("WSL").

WSL has been selected to provide this service for the following reasons:

- (i) WSL is one of the UK's leading Retail Service Providers and provides access to significant pools of liquidity;
- (ii) WSL provides electronic prices through which WSL deals on behalf of LMSTL in real-time; and
- (iii) WSL provides an electronic link to LMSTL's dealing platform which is an effective and efficient method of placing trades.

LMSTL actively monitors and reviews these arrangements to ensure that it continues to meet its overarching best execution obligation to clients as outlined in its best execution policy.

EXECUTION VENUES

Throughout 2020, minor changes were made to the counterparty list in LMSTL's best execution policy. The changes during 2020 were a result of continued due diligence on brokers, and the addition and removal of brokers through which a proportionally small volume of trades were routed.

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

EXECUTION ANALYSIS

At the time of publication, LMSTL is satisfied with the execution quality of its brokers. This has been verified through daily monitoring of execution performance, on both a pre-trade and post-trade basis, in addition any executed trades falling outside the industry standard for best execution are investigated and resolved where necessary. At least once a year LMSTL conducts a thematic review of the effectiveness of its best execution policy and, in particular, the execution quality of its brokers and will correct any deficiencies that are identified.

Practical examples of this monitoring include the following scenarios:

- All orders are examined against the market price prior to execution to ensure that, where possible, trades are executed at the best available price. Trades out of LMSTL parameters to the 'best price' will be highlighted and investigated.
- On a worked order, if the average price achieved through execution appears outside of where the stock has traded through the period, (VWAP can be used where relevant as a benchmark) then this will be challenged by LMSTL.
- When dealing outside of touch price/ VWAP justification must be provided, detailing the reasons for which other factors were given precedence over immediate price and cost when executing orders.
- Any trades where LMSTL does not feel that best execution has been received in line with its policy are escalated so that further analysis can be performed.

LMSTL makes use of LiquidMetrix, a piece of software provided by Intelligent Financial Systems (IFS) for post-trade analysis of execution quality as per the applicable requirements under COBS 11.2. LiquidMetrix compares executed trades with market trades at the time of execution, providing the necessary checks that LMSTL is consistently achieving its obligation to its clients, and ensuring appropriate action is taken should any discrepancy arise.

As part of the broker selection and annual due diligence processes, LMSTL also considers any published execution quality data as required under Article 27 (10)(a) of Directive 2014/65/EU to ensure that a consistent level of best execution has been achieved by them, to allow LMSTL to fulfil their obligations to their clients.

The following ISINs have not been included in the RTS28 calculations as they are absent from the ESMA published tick data. GB00BWHWX30, IM00BIZ40704, GB00BLDRH360, JP3153470004.

Summary

LMSTL believes that the analysis and conclusions drawn from our monitoring of the quality of execution confirm that the brokers used to execute client orders in shares meet our standards in delivering best execution to our clients on a consistent basis. A list of our top five execution brokers used to execute retail and professional client orders can be found above together with detailed information on the volume and number of orders executed by each broker. A list of all brokers used to execute client orders in shares can be found within the [Best Execution Policy](#) on our website:

<https://ww2.linkgroup.eu/media/ejepnwrp/bestexecutionpolicyoct20.pdf>

Link Asset Services is a trading name of Link Market Services Trustees Limited which is authorised and regulated by the Financial Conduct Authority.
Registered office: The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Registered in England and Wales No. 2729260.
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