

## Intermediate Capital Managers Limited (“ICML”) Annual Best Execution Disclosure 2019

1<sup>st</sup> June 2020

### Disclosure Period: 01/01/2019 to 31/12/2019

This disclosure is being made pursuant to Article 3(3) of Regulatory Technical Standard 28 and/or Article 65(6) of the MiFID II Delegated Organisational Regulation, which require firms to disclose, for each class of financial instruments traded for clients during the period, a summary of the analysis and conclusions drawn from the execution quality monitoring that the Firm has undertaken.

ICML seeks to obtain the best possible result for its clients by exercising commercial judgement and drawing upon its trading experience and other expertise taking into account the relative importance given to the execution factors. The execution criteria taken into account when determining the relative importance of the execution factors are the characteristics of:

- The client
- The order
- The portfolio instruments or derivatives contracts that are the subject of that order
- The execution venues to which that order can be directed
- Market conditions

During the period under review, ICML’s execution process was based on the execution factors and criteria detailed in the firm’s Order Execution Policy.

ICML selects the execution venue that it considers to be most appropriate taking into consideration the execution factors and the execution criteria for each asset class. Before ICML executes an order with an execution venue, the execution venue undergoes fundamental review by Legal and Compliance to minimise conflicts of interest. Approved counterparties are monitored on an on-going basis. Where instructed by a client to do so, ICML may restrict its dealing with certain counterparties.

ICML has no close links, conflicts of interest, or common ownerships with respect to any execution venues used to execute orders.

ICML has no specific arrangements with execution venues to report regarding payments made or received discounts, rebates or non-monetary benefits received.

In determining whether the list of execution venues should be subject to change, ICML will consider the execution venue's likelihood to enable ICML obtain the best possible results for its clients based on the following factors:

- i. Whether the execution venue is subject to regulatory best execution requirements;
- ii. Whether the execution venue will contractually undertake to provide the best execution and comply with regulatory best execution requirements in relation to the relevant business; and
- iii. Whether the execution venue can demonstrate that it delivers a high level of execution quality for the kind of orders that ICML is like to place with it.

ICML considers the following factors to be key in deciding on an execution venue:

- Availability of participants on the execution venue;
- Costs;
- Likelihood of execution; and
- Technical capabilities of the execution venue.

There were no changes to the list of execution venues/brokers in ICML's Order Execution Policy during the period of review.

There has been no differentiation across client categories during the reporting period. ICML acts only for professional clients and seeks to obtain the best possible result for all ICML clients. ICML does not act for Retail clients.

ICML has not used output from consolidated tape providers, any third-party data or tools relating to quality of execution.

Class of instrument		Debt instruments – Bonds <sup>1</sup>			
<b>Notification if &lt;1 average trade per business day in the previous year</b>	N				
<b>Top five execution venues ranked in terms of trading volumes (descending order)</b>	Proportion of volume traded as a percentage of total asset class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Morgan Stanley &amp; Co. International Plc (4PQUHN3JPFGFNF3BB653)</b>	11.23	11.23	N/A	N/A	0.00
<b>HSBC Bank PLC (MP6I5ZYZBEU3UXPYFY54)</b>	10.83	9.43	N/A	N/A	0.00
<b>Citigroup Global Markets Limited (KZZ2JZF41MRHTR1V493)</b>	10.44	7.63	N/A	N/A	0.00
<b>Goldman Sachs International (W22LROWP2IHZNBB6K528)</b>	10.25	9.13	N/A	N/A	0.00
<b>UBS Limited (REYPIEJN7XZHSUI0N355)</b>	9.89	11.08	N/A	N/A	0.00

Execution Factors:

For bonds, ICML considers price, cost, likelihood of execution and settlement to be the principal execution factors in that order. The execution factor of price ordinarily merits a high relative importance in obtaining the best possible result taking into account the execution criteria.

<sup>1</sup> All orders have been placed through Bloomberg Trading Facility (BMTF)

Class of instrument		Currency Derivatives – Swaps, forwards, and other currency derivatives <sup>2</sup>			
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total asset class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Lloyds Bank Corporate Markets plc (213800MBWEIJDM5CU638)	31.11	27.10	N/A	N/A	0.00
HSBC Bank plc (MP6I5ZYZBEU3UXPYFY54)	21.35	25.26	N/A	N/A	0.00
Citibank N.A. (579100KKDGGKFFKKF005)	15.29	2.45	N/A	N/A	0.00
BNP Paribas (R0MUWSFPU8MPRO8K5P83)	3.86	3.98	N/A	N/A	0.00
Credit Agricole Corporate and Investment Bank (1VUV7VQFKUOQSJ21A208)	3.78	2.42	N/A	N/A	0.00

Execution Factors:

For Currency Derivatives, ICML considers price to be the principal execution factor.

<sup>2</sup> All orders have been placed through Bloomberg Trading Facility (BMTF)