



EQ Investors Limited
Best Execution Annual Report
Article 65(6) Disclosures

For the period 1 January 2020 to 31 December 2020

Section 1: Top Five Entities Used for the Transmission or Placing of Client Orders

Article 65(6) disclosures cover all EQ Investors Ltd trading placed with Brokers/Counterparties.

Whenever we send investment applications or orders on your behalf to third parties (for example, to buy or sell investment holdings), we make every effort to ensure the best possible result for our clients. This is referred to as Best Execution. We may transmit or place the order via a third-party platform (an online investment administration service), directly with a fund manager or with a stockbroker, to execute your order.

We're obliged to disclose on an annual basis the top five firms that we send our client orders to. The tables below relate to the period 1 January 2020 to 31 December 2020. The tables are split between retail and professional clients.

Retail Clients

Class of investment		A. Equities – Shares & Depositary Receipt				
Notification if <1 average trade per business day in the previous year		No				
Top five brokers ranked in terms of trading volumes (descending order)	Legal Entity Identifier	Proportion of volume 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
Pershing Securities Ltd	549300NC3GURN0AEZU06	100.00%	100.00%	N/A	N/A	N/A

Class of investment		M. Other investments (includes collective investments)				
Notification if <1 average trade per business day in the previous year		No				
Top five brokers ranked in terms of trading volumes (descending order)	Legal Entity Identifier	Proportion of volume 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
Pershing Securities Ltd	549300NC3GURN0AEZU06	48.42	67.77%	N/A	N/A	N/A
AJ Bell Securities Ltd	213800Y4I7TN34WUBD71	26.48%	0.01%	N/A	N/A	N/A
Parmenion Capital Partners LLP	2138009NTJ7FDGURJ138	21.21%	32.22%	N/A	N/A	N/A
Raymond James Investment Services Ltd	213800YR9S9QWX2WF904	4.77%	0.01%	N/A	N/A	N/A
Novia Financial Plc	213800PBPMC23C4GZS83	-0.88%	0.01%	N/A	N/A	N/A

Professional Clients

Class of investment		A. Equities – Shares & Depositary Receipt				
Notification if <1 average trade per business day in the previous year		No				
Top five brokers ranked in terms of trading volumes (descending order)	Legal Entity Identifier	Proportion of volume 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
Pershing Securities Ltd	549300NC3GURN0AEZU06	69.00%	93.49%	N/A	N/A	N/A
UBS AG	BFM8T61CT2L1QCCEMIK50	32.41%	11.06%	N/A	N/A	N/A
Pictet & Cie (Europe) SA	222100T6ICDIY8V4VX70	-1.42%	-4.56%	N/A	N/A	N/A

Definitions:	
"Passive order"	An order entered into the order that provided liquidity – not applicable as EQ Investors does not pass orders on to brokers on this basis
"Aggressive order"	An order entered into the order book that took liquidity - not applicable as EQ Investors does not pass orders on to brokers on this basis
"Directed Order"	An order where a specific execution broker was specified by the client prior to the execution of the order - not applicable as EQ Investors does not direct orders
"Volume Traded"	Based on the Gross Consideration of orders
"Orders Executed"	A deal in a specific instrument with a specific broker; number of orders

Part 2: Monitoring or Review

- We operate in accordance with our Best Execution policy. Please see Part 3.
- Under the terms of our policy, we regularly assess the third parties available to us to identify those that will enable us, on a consistent basis, to obtain the best possible result when arranging for the execution of your orders.
- The third parties that we use, also have responsibilities in relation to best execution and client order handling. We undertake periodic monitoring to make sure that they continue to meet our requirements. This review is carried out at least annually or whenever a significant change occurs that we feel could affect our ability to continue to obtain the best possible results for our clients.

Part 3: Best Execution Policy

Scope of our Best Execution policy

EQ Investors ('EQ') is committed to providing clients with the best possible outcome when executing client transactions.

EQ is subject to the Financial Conduct Authority ('FCA') relevant requirements as set out in COBS 11.2.A.2 which states:

'A firm must take all sufficient steps to obtain, when executing orders, the best possible results for its clients taking into account the execution factors.'

The execution factors to be taken into account are price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order'.

The FCA also states that firms must have appropriate arrangements and processes in place to ensure the prompt, fair and expeditious execution of client orders specifically, EQ must ensure that:

- Orders executed on behalf of clients are promptly and accurately recorded and allocated
- Comparable orders are carried out sequentially and promptly unless market conditions make this impracticable or the interests of the client require otherwise
- Clients are informed of any material difficulty encountered when placing a transaction

In order to do this, we are required to establish effective arrangements and review them at least annually.

Policy

It is our policy to provide our clients with the most appropriate advice at all times, taking into account their financial objectives, goals, needs and aspirations.

We owe a duty of best execution in all circumstances when receiving and transmitting orders for the sale and purchase of financial instruments.

Execution Factors

Before we make a recommendation to our clients, we must consider each of the various factors outlined below:

- Price (of products/ providers and services)

In most cases, we seek to recommend the most cost- effective products/ providers/ method of meeting the client's aims and objectives, but we will consider their views and take them into account. We will make recommendations from time to time where other factors mean that the most cost-effective method may not be the most appropriate and give advice accordingly.

- Costs (of advice)

In most cases, we seek to recommend the most advice cost effective method of meeting the client's aims and objectives, but we will consider their views and take them into account. We will make recommendations from time to time where other factors mean that the most cost-effective method to provide the advice may not be the most appropriate and give advice accordingly.

- Speed

In most cases, we seek to recommend the most time effective method of meeting the client's aims and objectives, but we will consider their views and take them into account. We will make recommendations from time to time where other factors mean that the most time effective method to provide the advice may not be the most appropriate and give advice accordingly.

- Size and nature of the transaction

At all times we will consider the size and nature of the transaction and by taking these factors into account will seek to recommend the most appropriate advice.

- Effectiveness of the Platform/Product Provider

At all times we will consider if the client's needs will be best met with the use of a platform or where they may be better met using a non-platform or other service provider solution.

- Any and all other factors relevant to executing the business

At all times we will consider the other relevant factors pertaining to a client's needs and objectives so that we can deliver the most appropriate advice at all times.

We typically transmit or place the order via a third-party platform (an online investment administration service), directly with a fund manager or with a stockbroker, to execute orders.

Placing Transactions

Orders placed by EQ Investors Ltd. are transmitted to third party custodians for execution.

Specific instructions

If a client has given instructions that price is not the most important factor in executing their instructions, EQ will make every effort to comply with their instructions but cannot guarantee this. This may be due to either the nature of the order, or the type of financial instrument they wish to trade in.

We will make all decisions as to where the orders are placed in relation to the execution venue. We will therefore not accept specific instructions from clients regarding the venue where their order is executed. However, in exceptional circumstances we will consider our client's specific requests.

Use of third parties

Our terms and conditions with our counterparties (e.g., third party brokers) provide that they will make all reasonable efforts to provide best execution when we instruct transactions through them.

Collective Dealing and Fair Allocation

EQ operates a policy of fair allocation which states that purchases and sales should be fairly allocated across all clients unless there are reasons for acting differently. When we arrange deals in collective investment schemes (e.g., Unit Trusts, OEICs and Investment Trusts), we may deal directly with the fund manager and/or the operator of the collective investment scheme or may arrange the deal through a third party such as a 'fund supermarket' (an online transaction service).

We may aggregate orders on behalf of more than one client provided it is possible to secure best execution for all customers involved.

When arranging a market transaction for more than one client, each client's intended allocation must be noted.

In the case of new issue placings, applications from employees and their connected parties shall be treated on the same basis as clients unless the total applied for by employees and their connected parties exceeds 20% of the total applied for by EQ. If staff applications are in excess of 20% of the total, then the staff applied for excess is scaled in its entirety until it is reduced to 20% of the total.

For discretionary managed transactions, it is possible that an allocation can be deemed to be too small, impractical, or uneconomic for clients. Where this arises, the allocation can be applied to other clients.

Some categories of client might be considered to be a higher priority from an investment management perspective than other categories of client. For example, clients with higher cash weightings and greater sector/geographic imbalances may have a greater need for a higher allocation of a purchase order. Conversely, clients with heavily overweight positions may have a greater need for a disproportionate allocation in a sale order.

Timely Execution

Employees must deal with client orders promptly, fairly and in due turn while having regard for dealing priority requirements.

Transaction Confirmations

Ordinarily, trade confirmations shall be sent to clients on the Pershing platform as soon as practicably possible unless the client has requested that they do not wish to receive contract notes.

Charges

It is EQ policy that its charging structure will not influence either the selection of execution venues, or the order flow that follows as a result of the execution process.

Monitoring and review of our execution policy

EQ will ensure appropriate controls and procedures are put in place to ensure we obtain the best possible results for you when arranging execution of orders. These processes will be periodically monitored.

We will also review this execution policy and our order execution arrangements at least annually and whenever there is a significant change that affects our ability to continue to obtain the best possible results for our clients.

Staff understanding

All our relevant employees are made aware of this policy to highlight and emphasise the importance of “Best Execution”. This is called RTS 65(6) reporting.

We are required to publish the top five execution venues for all executed client orders, in the preceding year, per class of financial instrument in the following format:

Class of investment						
Notification if <1 average trade per business day in the previous year						
Top five brokers ranked in terms of trading volumes (descending order)	Legal Entity Identifier	Proportion of volume 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

Disclosure

Having fully considered all the above execution factors, we will fully disclose all costs in a manner that is fair, clear, and not misleading so that a client can fully understand the nature and cost of the services we will provide to them.

We will aggregate the information about all costs and charges per platform to allow the client to understand the overall cost and the cumulative effect on the return of the investment expressed as both a monetary amount and a percentage.

Costs and charges will include the cost of financial instruments/funds, platform/provider, product charge, cost of advice and fees paid to EQ. An itemised breakdown will be provided if requested by the client. The above information will be provided at the outset and at least annually.

Monitoring and Reviewing

We will formally review this policy at least annually, or whenever a material change occurs that affects our ability to continue to obtain the best possible outcome for client orders, in order to assess its effectiveness in achieving the best possible result for our clients.

This review should:

- Explain the relative importance attached to any business we have transacted.
- Describe any close links, conflicts of interest and common ownerships with respect to the product providers.
- Describe any arrangements in relation to payments received or made and other non-monetary benefits received.
- Explain any changes made to the providers listed in our best execution policy.
- Explain how the recommended providers differ (if they do) according to client categorisation.
- Explain when and how other criteria are given precedence over price and cost, when executing retail client orders (advice).

We will make a summary of the above analysis available to the public at least annually and without any charge.