

Veritas Investment Management LLP

RTS 28

Year Ended 31st December 2019 – Retail and Professional Clients

Class of Instrument	European Equities – Liquidity Bands 5 and 6				
Notification if <1 average trade per business day in previous year	N				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	87.9%	82.4%	N/A	N/A	N/A
Pictet & Cie (Europe) S.A. 549300GSSPQ1QSKI1376	12.1%	17.6%	N/A	N/A	N/A

Class of Instrument	European Equities – Liquidity Bands 3 and 4				
Notification if <1 average trade per business day in previous year	N				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	77.9%	86.0%	N/A	N/A	N/A
Pictet & Cie (Europe) S.A. 549300GSSPQ1QSKI1376	22.1%	14.0%	N/A	N/A	N/A

Class of Instrument	European Equities – Liquidity Bands 1 and 2				
Notification if <1 average trade per business day in previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	100%	100%	N/A	N/A	N/A

Class of Instrument	Non - European Equities				
Notification if <1 average trade per business day in previous year	N				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	86.4%	81.5%	N/A	N/A	N/A
Pictet & Cie (Europe) S.A. 549300GSSPQ1QSKI1376	13.6%	18.5%	N/A	N/A	N/A

Class of Instrument	Debt Instruments				
Notification if <1 average trade per business day in previous year	N				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	79.0%	85.5%	N/A	N/A	N/A
Pictet & Cie (Europe) S.A. 549300GSSPQ1QSKI1376	21.0%	14.5%	N/A	N/A	N/A

Class of Instrument	Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)				
Notification if <1 average trade per business day in previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	100%	100%	N/A	N/A	N/A

Class of Instrument	Other (non- exchange traded funds)				
Notification if <1 average trade per business day in previous year	N				
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders as a percentage	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Business Services 8BRUP6V1DX3PIG2R0745	100%	100%	N/A	N/A	N/A

As per the tables above, Veritas Investment Management LLP (“VIM”) has separated the analysis of equity trading into European and non-European equities with Liquidity Band data provided for European equities only. VIM believes that the provision of Liquidity Band data for non-European equities could be misleading as the data is based on trading on EU venues only rather than the primary listing venue.

Dealing service description

VIM is a discretionary investment manager and outsources its dealing activity, it does not execute orders itself. VIM utilises two brokers to facilitate trades across its business, Winterflood Business Services (“WBS”) and Pictet & Cie (Europe) S.A. (“Pictet”).

VIM has appointed WBS as the broker (as part of the SEI Dealing Service which VIM consumes) in executing client orders for its discretionary investment management clients. In relation to trades for the Protea fund strategies (Core Equity and High Equity), VIM has appointed Pictet as the broker.

VIM utilises a custody and administration outsourced service by agreement with SEI Investments (Europe) Limited and SEI Investments (Guernsey) Limited (“SEI”). Under this agreement VIM uses the SEI Wealth Platform (“SWP”) to construct and input its clients’ orders.

SEI acts as an order router for VIM trades, facilitating the passage of trades through its system to WBS, whom VIM has appointed as its broker in executing client orders. Specifically, SEI routes Equity, Bond, Exchange Traded Products and Investment Trust orders to WBS. SEI routes orders for any Collective Investment Schemes (“CIS”), such as OEICs or Unit Trusts, to the applicable Fund Manager and/or Transfer Agent via its platform network.

VIM has been appointed by Fund Partner Solutions (Europe) S.A., the management company of the Protea Fund to act as the investment manager of the Protea Core Equity and High Equity funds. The fund and its management company have outsourced dealing activity in relation to the Protea SICAV sub-funds to Pictet. VIM does not execute orders itself.

QUALITATIVE STATEMENTS AS PRESCRIBED UNDER ARTICLE 3 (3)

a) An explanation of the relative importance the firm gave to the execution factors or price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.

When WBS is determining the approach to achieve best execution, the following execution factors will be considered, and how these may be considered as part of the decision-making process in the context of the details below (listed in order of priority for a typical trade):

- Price;
- Cost;
- Likelihood of Execution and Settlement;
- Size;
- Nature;
- Speed;
- Other Relevant Considerations'

When executing a trade, WBS does not only consider these factors in isolation, but also considers the trade-off and interplay between them.

Pictet will consider the following execution criteria and execution factors. The factors taken into consideration are:

- Price;
- Costs;
- Speed;
- Likelihood of execution;
- Likelihood of settlement;
- Size of order;
- Nature of the trade;
- Any other consideration relevant to the execution of the order.

Total consideration of price and cost will ordinarily merit a high relative importance in obtaining the best possible result. However, under special circumstances Pictet may determine that other execution factors shall have the same importance or shall have precedence over price in obtaining the best possible result.

b) A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.

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

c) A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

VIM does not have any specific arrangements with any execution venues regarding payments made or

received, discounts, rebates or non-monetary benefits received.

d) An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred.

No change was made during 2019.

e) An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements.

VIM treats client orders in the same way, regardless of client categorisation.

f) An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client.

As stated above, both WBS and Pictet give priority to price and cost when seeking to achieve best execution.

g) An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated regulation (EU) 2017/575 (RTS 27)

VIM receives TCA data for the trades executed via WBS which is prepared using industry standard trade benchmarking software provided by LiquidMetrix. VIM reviews this data on a monthly basis and supplements it with additional analysis that is reviewed at a quarterly TCA committee meeting to test independently that we have received the best result on client trades.

VIM receives transaction data from Pictet by way of a Bloomberg report from which we take a sample of trades. VIM reviews this data on a monthly basis. The analysis is reviewed at a quarterly TCA committee meeting to test that we have received the best result on client trades.

VIM has reviewed RTS 27 data and observed that the format used by brokers is not currently in a standardised layout. We have therefore taken the view that analysis of TCA data, together with our own independent analysis (as described above) provides a robust assessment of whether the best result is being achieved for clients.

h) Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.

Not applicable, there are currently no consolidated tape providers in Europe.

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