

Smith & Williamson

Investment Services Limited

Qualitative Report for Other Instruments

This report was produced by Smith & Williamson Investment Services Limited (“SWIS”, “we” or “our”) and provides a qualitative order execution assessment for Other Instruments in the format described in Article 3(3) of Commission Delegated Regulation EU/2017/576, for the period 1 January 2018 to 31 December 2018. The majority of instruments included under this category were unlisted collective investment schemes (unit trusts and open-ended investment companies).

Execution venues

In 2018, SWIS transmitted all orders in these instruments directly to the Product Provider. Occasionally we crossed trades in these instruments internally between clients. Where this occurred we dealt at the price set by the Product Provider at the next dealing date, to ensure that a fair price was obtained and no client is disadvantaged.

SWIS has policies and procedures in place to monitor any payments, or minor non-monetary benefits, received from third parties to ensure that they are designed to enhance the quality of service to the client and do not impair our ability to act in accordance with the best interests of our clients. In 2018, SWIS has not recorded any conflicts of interest with any venues used in this asset class.

Execution factors

To achieve the best possible result, we have, on a consistent basis, taken into account a number of execution factors, including: price, costs associated with execution, speed of execution, likelihood of execution, the size and nature of the order, and quality of any related clearing and settlement facilities.

SWIS executed all orders in these instruments directly with the Product Providers and as such, execution factors did not have an impact on our choice of venue.

Client categorisation

SWIS transmitted orders on behalf of Retail and Professional clients, however there was no differentiation in client treatment with regards to order execution arrangements.

Summary of analysis and conclusions

The Best Execution Working Group (“BEWG”) monitored adherence to the firm’s Order Execution Policy and the effectiveness of our order execution arrangements and procedures. On the basis of these reviews, we believe the execution venues used during 2018 enabled us to obtain on a consistent basis, the best possible result for the execution of client orders.

To achieve the best possible prices for our clients, we executed orders in this instrument type directly with the Product Providers, at prices and costs set by them and as such, we are confident that we have achieved the best possible result for our clients on a consistent basis.

Further information regarding the monitoring carried out on execution quality can be found in the SWIM qualitative report for Other Instruments.