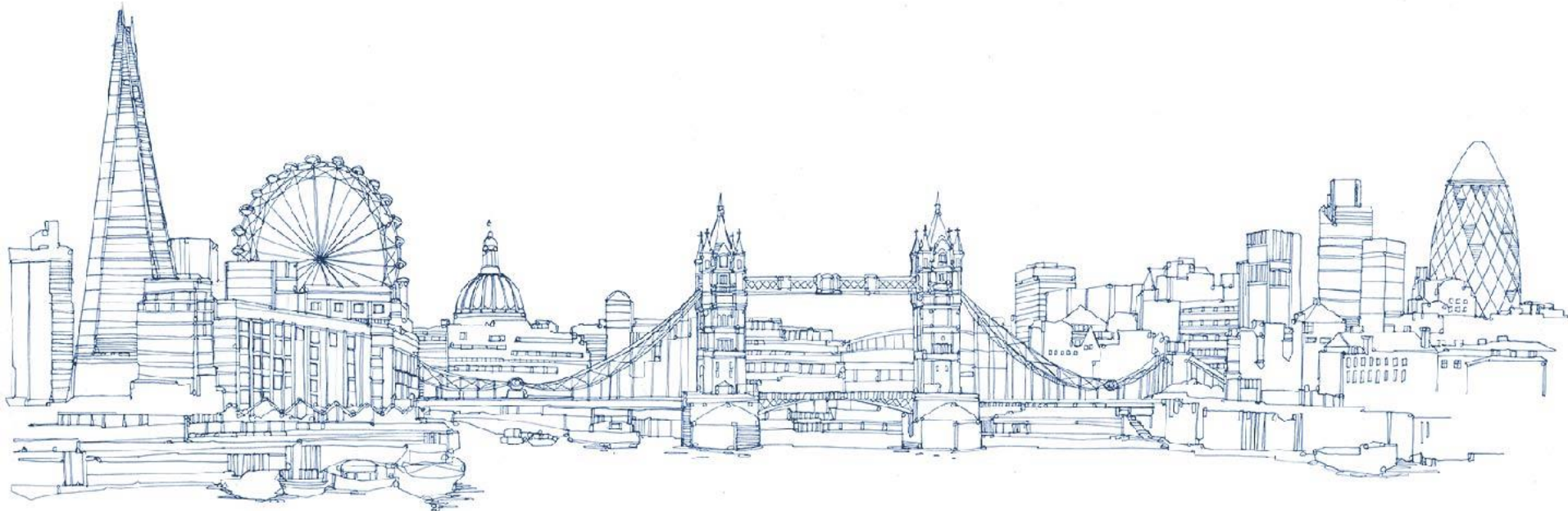


# King & Shaxson Asset Management Limited

Annual Best Execution Disclosure 2019

April 2020



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## Background

On an annual basis, King & Shaxson Asset Management Limited (“KSAM”) is required to provide annual disclosures around the execution venues used for each asset class and certain information on the quality of execution in line with the requirements of Regulatory Technical Standard 28 (“RTS 28”) supplementing the EU Market in Financial Instruments Directive (“MiFID II”). Disclosures must be made in relation to orders executed for professional clients and retail clients. In 2019, KSAM had no professional clients, so this disclosure will only pertain to decisions to trade taken for retail clients. For the purpose of this report, the currency has been converted to be expressed in a single currency and the values have been expressed in Sterling.

KSAM’s principal business is discretionary investment management on behalf of retail clients. For the vast majority of its trades, KSAM does not execute investment orders directly with the market on behalf of clients, but will instead pass orders to executing counterparties, usually a broker, who will undertake the transaction with the market. For the majority of orders, KSAM is therefore classified as an order transmitter for the purposes of MiFID II.

# King & Shaxson Asset Management Limited – Annual Best Execution Disclosures

## Equities – Shares & Depository Receipts: Tick Band Liquidity Sizes 5 & 6

Notification if <1 average trade per business day in the previous year      Y

Top five execution venues ranked by trading volume (descending order)	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 Limited LEI: 549300NC3GURN0AEZU06	100%	100%	N/A	N/A	100%

**\*Please note – only one counterparty was used with respect to equities in this tick band liquidity size.**

# King & Shaxson Asset Management Limited – Annual Best Execution Disclosures

## Equities – Shares & Depository Receipts: Tick Band Liquidity Sizes 3 & 4

Notification if <1 average trade per business day in the previous year      Y

Top five execution venues ranked by trading volume (descending order)	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 Limited LEI: 549300NC3GURN0AEZU06	100%	100%	N/A	N/A	100%

**\*Please note – only one counterparty was used with respect to equities in this tick band liquidity size.**

# King & Shaxson Asset Management Limited – Annual Best Execution Disclosures

## Equities – Shares & Depository Receipts: Tick Band Liquidity Sizes 1 & 2

Notification if <1 average trade per business day in the previous year Y

Top five execution venues ranked by trading volume (descending order)	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 Limited LEI: 549300NC3GURN0AEZU06	63%	94%	N/A	N/A	100%
VSA Capital Limited LEI: 213800M3QPFEMU2TPU36	31%	1%	N/A	N/A	100%
Cantor Fitzgerald Europe LEI: 549300KM6VUHPKQLQX53	2.27%	0.43%	N/A	N/A	100%
Fidante Partners Europe Ltd LEI: 254900DLB2UXBKZI5Z08	1.77%	0.87%	N/A	N/A	100%
Jarvis Investment Management Limited LEI: 213800HBDYZM8J5CHJ19	0.28%	0.87%	N/A	N/A	100%

## Analysis and conclusions

Requirement under Article 3 (3)	KSAM Analysis & Conclusions – Equities
(a) An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, and likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.	<p>When determining the strategy for executing client orders in the market, KSAM will take into consideration a number of execution factors dependent upon the characteristics of the order and the prevailing market conditions. In determining the relative importance of the execution factors, KSAM will take into account each client’s objectives, the financial instrument(s), price and size to which the order relates, the execution venues available and prevailing market conditions.</p> <p>As these are management decisions taken on behalf of retail clients, the most relevant execution factor will always be total consideration.</p>
(b) A description of any close links, conflicts of interest and common ownerships with respect to any execution venues used to execute orders.	KSAM does not have any close links, conflicts of interest or common ownerships with regard to any of the counterparties it trades with in equities. The list of approved counterparties is reviewed regularly and changes over time.
(c) A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.	KSAM does not have any specific arrangements whereby it does not accept or receive from approved counterparties any payment, discount, rebate or non-monetary benefit in return for directing client orders to a particular counterparty.
(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	For equities, KSAM uses a number of counterparties. With respect to changes to the list of counterparties, additional counterparties were added where they brought additional coverage of smaller, ethical stocks that were not otherwise available from non-specialist brokers.
(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	KSAM does not have any professional clients. As a result, all KSAM clients are treated the same way.
(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 a discretionary fund manager, KSAM does accept specific dealing instructions from its clients. As a result, the total consideration (being made up of the immediate price and execution costs) will always take precedence over other execution factors.

## Analysis and conclusions

Requirement under Article 3 (3)	KSAM Analysis & Conclusions – Equities
(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).	<p>KSAM reviews information provided by venues under RTS 27 and RTS 28 reports provided by its counterparties in its analysis and oversight of best execution and in order to assess if any venues or counterparties should be added to its execution policy.</p> <p>Management is satisfied that there is no over-reliance on any one venue and that a sufficiently broad spread of venues is used to consistently discover the best prices.</p>
(h) Where applicable, an explanation of how we have used output of a consolidated tape provider	Currently there are no consolidated tape providers in Europe, therefore deemed not applicable.

# King & Shaxson Asset Management Limited – Annual Best Execution Disclosures

## Debt Instruments – Bonds

Notification if <1 average trade per business day in the previous year Y

Top five execution venues ranked by trading volume (descending order)	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
King & Shaxson Limited LEI: 549300ROEJDDAXM6LU05	64%	5%	N/A	N/A	100%
King & Shaxson Asset Management Ltd LEI: 213800KEKCMCLHAWYQ77	31.65%	79%	N/A	N/A	100%
Pershing Securities Limited LEI: 549300NC3GURN0AEZU06	4.35%	16%	N/A	N/A	100%

**\*Please note – only three counterparties were used with respect to bonds.**



## Analysis and conclusions

Requirement under Article 3 (3)	KSAM Analysis & Conclusions – Bonds
(a) An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, and likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.	<p>When determining the strategy for executing client orders in the market, KSAM will take into consideration a number of execution factors dependent upon the characteristics of the order and the prevailing market conditions. In determining the relative importance of the execution factors, KSAM will take into account each client’s objectives, the financial instrument(s), price and size to which the order relates, the execution venues available and prevailing market conditions.</p> <p>As these are management decisions taken on behalf of retail clients, the most relevant execution factor will always be total consideration.</p>
(b) A description of any close links, conflicts of interest and common ownerships with respect to any execution venues used to execute orders.	<p>KSAM has close links via common ownership with King &amp; Shaxson Limited with respect to the list of counterparties it uses in bonds. However, any conflict of interest is mitigated by having the King &amp; Shaxson Limited provide services at the same transaction cost as all other counterparties used and by King &amp; Shaxson Limited executing orders received in accordance with their order execution policy.</p>
(c) A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.	<p>KSAM does not have any specific arrangements whereby it does not accept or receive from approved counterparties any payment, discount, rebate or non-monetary benefit in return for directing client orders to a particular counterparty.</p>
(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	<p>There was no change to the list of counterparties used for bonds.</p>
(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	<p>KSAM does not have any professional clients. As a result, all KSAM clients are treated the same way.</p>
(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.	<p>As a discretionary fund manager, KSAM does accept specific dealing instructions from its clients. As a result, the total consideration (being made up of the immediate price and execution costs) will always take precedence over other execution factors.</p>

## Analysis and conclusions

Requirement under Article 3 (3)	KSAM Analysis & Conclusions – Bonds
<p>(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).</p>	<p>KSAM reviews information provided by venues under RTS 27 and RTS 28 reports provided by its counterparties in its analysis and oversight of best execution and in order to assess if any venues or counterparties should be added to its execution policy.</p> <p>Management is satisfied that there is no over-reliance on any one venue and that a sufficiently broad spread of venues is used to consistently discover the best prices.</p>
<p>(h) Where applicable, an explanation of how we have used output of a consolidated tape provider</p>	<p>Currently there are no consolidated tape providers in Europe, therefore deemed not applicable.</p>

# King & Shaxson Asset Management Limited – Annual Best Execution Disclosures

## Other instruments - Funds

Notification if <1 average trade per business day in the previous year Y

Top five execution venues ranked by trading volume (descending order)	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 Limited LEI: 549300NC3GURN0AEZU06	98.75%	96%	N/A	N/A	100%
King & Shaxson Asset Management Ltd LEI: 213800KEKCMCLHAWYQ77	1.25%	4%	N/A	N/A	100%

\*Please note – only two counterparties were used with respect to funds.

## Analysis and conclusions

Requirement under Article 3 (3)	KSAM Analysis & Conclusions – Funds
(a) An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, and likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.	<p>When determining the strategy for executing client orders in the market, KSAM will take into consideration a number of execution factors dependent upon the characteristics of the order and the prevailing market conditions. In determining the relative importance of the execution factors, KSAM will take into account each client’s objectives, the financial instrument(s), price and size to which the order relates, the execution venues available and prevailing market conditions.</p> <p>As these are management decisions taken on behalf of retail clients, the most relevant execution factor will always be total consideration.</p>
(b) A description of any close links, conflicts of interest and common ownerships with respect to any execution venues used to execute orders.	KSAM does not have any close links, conflicts of interest or common ownerships with regard to any of the counterparties it trades with in equities. The list of approved counterparties is reviewed regularly and changes over time.
(c) A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.	KSAM does not have any specific arrangements whereby it does not accept or receive from approved counterparties any payment, discount, rebate or non-monetary benefit in return for directing client orders to a particular counterparty.
(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	There was no change to the list of counterparties used for bonds.
(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	KSAM does not have any professional clients. As a result, all KSAM clients are treated the same way.
(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 a discretionary fund manager, KSAM does accept specific dealing instructions from its clients. As a result, the total consideration (being made up of the immediate price and execution costs) will always take precedence over other execution factors.

## Analysis and conclusions

Requirement under Article 3 (3)	KSAM Analysis & Conclusions – Funds
(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).	<p>KSAM reviews information provided by venues under RTS 27 and RTS 28 reports provided by its counterparties in its analysis and oversight of best execution and in order to assess if any venues or counterparties should be added to its execution policy.</p> <p>Management is satisfied that there is no over-reliance on any one venue and that a sufficiently broad spread of venues is used to consistently discover the best prices.</p>
(h) Where applicable, an explanation of how we have used output of a consolidated tape provider	Currently there are no consolidated tape providers in Europe, therefore deemed not applicable.

# King & Shaxson Limited – Annual Best Execution Disclosures

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## Company Information

King & Shaxson Ethical Investing is a trading name of King & Shaxson Asset Management Limited.

King & Shaxson Asset Management Limited (Company Number: 03870667) is registered in England and is a part of the PhillipCapital Group. The Registered Office for the company is 1st Floor, Cutlers Court, 115 Houndsditch, London, EC3A 7BR.

King & Shaxson Asset Management Limited (Firm Reference Number: 823315) is Authorised and Regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN

## Disclaimer

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Please be aware that past performance is no guarantee of future performance and the value of investments and the income from them may go down as well as up and is not guaranteed.