**MiFID II Regulatory Technical Standard 28 (RTS28)**

RTS28 requires portfolio managers to display their top five brokers, and information about the quality of execution obtained for the preceding calendar year, by the end of the April 30th the following year.

**Top five brokers**

Ranmore Fund Management is required to disclose its top five brokers for the preceding calendar year by:

- Class of instrument
- Broker
- Volume of orders with that broker as a percentage of total executed volume in that financial instrument
- Number of orders executed with broker expressed as a percentage of total executed orders in that financial instrument
- Percentage of orders that were passive or aggressive
- Percentage of orders that were directed
- Whether RFM executed an average of <1 trade/business day in the past year

A passive order is an order that provides liquidity. For example, a limit order in which RFM sets a maximum purchase price which is below the current market asking price would be considered a passive order.

An aggressive order is an order that took on liquidity. For example, a market order where a broker was instructed to execute a trade as promptly as possible as prevailing market prices would be considered an aggressive order – it removes liquidity because immediate execution will take place.

A directed order is one where a specific execution venue was specified by RFM prior to the execution of the order.

Broker codes

SBAT = Autonomous LLP (Bernstein)

RBCB = Royal Bank of Canada (US equities)

RBCE = Royal Bank of Canada (European equities)

RBCZ = Royal Bank of Canada (RoW equities)

DFIN = Dash Financial LLC

MSET = Morgan Stanley

ABCP = Absa Bank

RANMORE
FUND MANAGEMENT

Equities – Shares and depositary receipts

Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day); bands 3 and 4 (from 80 to 1,999 trades per day); bands 5 and 6 (from 2,000 trades per day)

| Year | Class of Instrument | Avg <1 trade/day (Y/N) | Broker | % of volume of total in class | % of orders of total in class | [redacted] | % of passive orders | % of aggressive orders | % of directed orders | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 1 and 2 | N | MSET | 59% | 44% | [redacted] | 45% | 55% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 1 and 2 | N | RBCZ | 21% | 30% | [redacted] | 0% | 100% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 1 and 2 | N | SBAT | 14% | 17% | [redacted] | 42% | 58% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 1 and 2 | N | DFIN | 4% | 5% | [redacted] | 0% | 100% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 1 and 2 | N | RBCE | 2% | 4% | [redacted] | 0% | 100% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 1 and 2 | N | RBCB | 0% | 0% | [redacted] | 0% | 100% | 0% | **100%** |
| | | | | **100%** | **100%** | [redacted] | | | | |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 3 and 4 | N | MSET | 57% | 62% | [redacted] | 44% | 56% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 3 and 4 | N | SBAT | 39% | 32% | [redacted] | 23% | 77% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 3 and 4 | N | RBCZ | 2% | 5% | [redacted] | 0% | 100% | 0% | **100%** |
| 2020 | Equities and Depositary Receipts: Tick size liquidity bands 3 and 4 | N | RBCE | 2% | 1% | [redacted] | 0% | 100% | 0% | **100%** |
| | | | | **100%** | **100%** | [redacted] | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 2019 | Equities and Depositary Receipts: Tick size liquidity bands 5 and 6 | N | MSET | 57% | 42% | [redacted] | 47% | 53% | 0% | **100%** |
| 2019 | Equities and Depositary Receipts: Tick size liquidity bands 5 and 6 | N | SBAT | 24% | 27% | [redacted] | 48% | 52% | 0% | **100%** |
| 2019 | Equities and Depositary Receipts: Tick size liquidity bands 5 and 6 | N | RBCZ | 11% | 18% | [redacted] | 0% | 100% | 0% | **100%** |
| 2019 | Equities and Depositary Receipts: Tick size liquidity bands 5 and 6 | N | DFIN | 4% | 7% | [redacted] | 0% | 100% | 0% | **100%** |
| 2019 | Equities and Depositary Receipts: Tick size liquidity bands 5 and 6 | N | RBCE | 4% | 6% | [redacted] | 0% | 100% | 0% | **100%** |
| | | | | **100%** | **100%** | [redacted] | | | | |

**Quality of execution**

RFM is required to analyse the quality of execution obtained from brokers utilised based on the following criteria

Explanation of the relative importance firm gave to execution factors of price, costs, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

RFM has a relationship with a selection of brokerage firms and RFM has no commitment to any firm with respect to minimum trading volumes of commissions. Therefore, the portfolio manager can select a broker which he feels will achieve the best possible result for a client. In doing so, the portfolio manager focuses on explicit trading costs (commission rates) and implicit or indirect trading costs (such as method of execution – the algorithms brokers make available; liquidity and trade flow; likelihood of execution). In general, minimising direct trading costs is considered the most important factor.

A description of any conflicts of interest and any payments received, discounts, rebates and non-monetary benefits

No such conflicts of interest identified – no payments received, discounts, rebates or non-monetary benefits.

Explanation of factors that led to a change in the list of brokers if such a change occurred

No significant change. We engaged one new broker, Dash Financial LLC, for its competitive explicit fees. Dash provides coverage to the US market.

Explanation of how order execution differs according to client categorisation

RFM serves two per se eligible counterparties. Order execution is applied the same to both.

Explanation of whether other criteria given precedence over immediate price and cost when executing client orders

Please see above

Explanation of how firm has used any data or tools relating to the quality of execution

All trades are routed electronically to broker for execution via Bloomberg's Execution Management System (EMSX). EMSX receives information on the details of each trade via FIX tag messages from the broker. RFM uses the Bloomberg Transaction Cost Analysis (BTCA) tool to analyse the quality of execution by broker or by trading strategy (algorithm) used. Data points which are available and used for analysis include:

| **Term** | **Definition** | **Meaning** |
|---|---|---|
| Placement interval VWAP | Performance when comparing the achieved execution price with the VWAP price during the interval or placement | How close to the placement interval VWAP price do the brokers execute these stocks? Did the brokers take advantage of availability prices while executing the order? |
| 5-minute reversion | The difference from the last fill of the trade to the VWAP formed in the five minutes after the final fill | How does the price behave five minutes after the brokers have completed the execution? Could the broker have afforded to be more aggressive or needed to be more passive? |