

RTS 28 Reporting

As part of the requirements of the Directive 2014/65/EU on markets in financial instruments (“MiFID II”), specifically in respect to Commission Delegated Regulation 2017/576 which prescribes regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution (“RTS 28”), investment managers such as Kairos Investment Management Limited (the “Firm” or “KIML”) are required, in respect to their MiFID II business, to publish information on the top five execution venues in terms of trading volumes where they executed client orders in the preceding year and information on the quality of execution obtained for each class of financial instrument. Under RTS 28, relevant reporting is in a prescribed format on an annual basis within deadlines set under the regulations.

KIML gives appropriate relative importance to the main execution factors including price, cost, speed, liquidity of instrument being traded and likelihood of execution and settlement when assessing the quality of execution.

The execution factors are set out in the Firm’s Best Execution Policy. Execution factors may consist of any considerations relevant to the order and the importance of each factor is subjective to each trade unless otherwise specified by the client. Factored in to price will be transactional costs, however, given that price tends to be the key driver of total cost, price has generally taken precedence over transactional costs. The speed and likelihood of execution also plays a role, albeit smaller relative to the aforementioned factors.

- There are no close links, conflicts of interests or common ownerships with respect to any execution venues used to execute orders;
- Other than standard commissions and other charges paid by the Firm, and with the exception of the Research Payment Account maintained by the Firm, there are no specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
- The Firm’s list of execution venues for electronic market access and the Firm’s approved broker list are maintained in the firm’s best execution policy which can be provided upon reasonable request.
- Order execution does not differ according to client categorisation; and
- The Firm monitors best execution internally. This gives the firm the capability to review trades both periodically and on an ad-hoc basis to assess whether there are any common themes developing with specific venues/brokers.
The Firm uses its own proprietary systems in addition to periodic reports (such as trade cost analysis reports received from Trade informatics and KIML’s electronic market access brokers) to assess the quality of execution.

RTS 28 Quantitative Report 2020 (for Professional Clients under MiFID)

By Asset Class									
Notification if <1 average trade per business day in the previous year: N									
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders			
Equities - Tick Size Liquidity Bands 1 and 2		N/A	N/A	N/A	N/A	N/A			
By Asset Class									
Notification if <1 average trade per business day in the previous year: N									
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders			
Equities - Tick Size Liquidity Bands 3 and 4		N/A	N/A	N/A	N/A	N/A			
By Asset Class									
Notification if <1 average trade per business day in the previous year: N									
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders			
Equities - Tick Size Liquidity Bands 5 and 6		N/A	N/A	N/A	N/A	N/A			
By Asset Class									
Notification if <1 average trade per business day in the previous year: N									
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders			
Bonds		N/A	N/A	N/A	N/A	N/A			
By Asset Class									
Notification if <1 average trade per business day in the previous year: Y									
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders			
Options		100.00	100.00	N/A	N/A	N/A			

	JP Morgan	100.00	100.00	N/A	N/A	N/A
By Asset Class						
Notification if <1 average trade per business day in the previous year: Y						
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
CDS		100.00	100.00	N/A	N/A	N/A
	Morgan Stanley	100.00	100.00	N/A	N/A	N/A
By Asset Class						
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Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
CFD		N/A	N/A	N/A	N/A	N/A
By Asset Class						
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Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Currency and Forwards		100.00	100.00	N/A	N/A	N/A
	BNP Paribas	78.42	48.68	N/A	N/A	N/A
	BNP Paribas - Lux	21.09	29.39	N/A	N/A	N/A
	JP Morgan Securities Ltd	0.48	21.93	N/A	N/A	N/A
By Asset Class						
Notification if <1 average trade per business day in the previous year: N						
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Commodity Futures/Forwards		N/A	N/A	N/A	N/A	N/A
By Asset Class						
Notification if <1 average trade per business day in the previous year: Y						
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Index		N/A	N/A	N/A	N/A	N/A
By Asset Class						
Notification if <1 average trade per business day in the previous year: N						
Asset Class	Top five venues or brokers ranked in terms of trading volumes (desc. order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Fund of Funds		100.00	100.00	N/A	N/A	N/A
	BNP Paribas	54.17	40.00	N/A	N/A	N/A
	BNP Paribas - Lux	14.75	43.00	N/A	N/A	N/A
	Caceis Bank Luxembourg	30.11	16.00	N/A	N/A	N/A
	Morgan Stanley London	0.97	1.00	N/A	N/A	N/A