

COWEN

RTS 2019 REPORT COWEN EXECUTION SERVICES LIMITED

1 JANUARY 2019 – 31 DECEMBER 2019

Content

| | |
|---|----|
| 1. Overview of Cowen Execution Services Limited..... | 3 |
| 2. Overview of RTS 28 reporting requirements..... | 3 |
| 3. Scope and purpose of this report | 3 |
| 4. CESL’s Execution Strategy | 4 |
| 5. General Disclosures | 5 |
| 6. Execution Reports Analysis | 6 |
| 6.1. Quantitative assessment of execution for equities – shares and depositary receipts - Tick size liquidity band 1 & 2..... | 6 |
| 6.2. Quantitative assessment of execution for equities – shares and depositary receipts - Tick size liquidity band 3 & 4..... | 6 |
| 6.3. Quantitative assessment of execution for equities – shares and depositary receipts - Tick size liquidity band 5 & 6..... | 7 |
| 6.4. Qualitative assessment of execution for equities – shares and depositary receipts – All Liquidity bands | 7 |
| 6.5. Quantitative assessment of execution for securitized derivatives | 9 |
| 6.6. Qualitative assessment of execution for securitized derivatives | 9 |
| 6.7. Quantitative assessment of execution for exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities) | 12 |
| 6.8. Qualitative assessment of execution for exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities) | 12 |
| 6.9. Quantitative assessment of execution for other instruments..... | 14 |
| 6.10. Qualitative assessment of execution for other instruments | 14 |

1. OVERVIEW OF COWEN EXECUTION SERVICES LIMITED

Cowen Execution Services Limited (“CESL”) forms part of the Cowen Inc. (NASDAQ:COWN) group which is a diversified financial services firm with over 100 years of history. CESL is a leading independent, non-conflicted trading firm providing execution services in more than 100 markets worldwide and with a full range of multi-asset capabilities.

2. OVERVIEW OF RTS 28 REPORTING REQUIREMENTS

The Markets in Financial Instruments Directive (MiFID II) requires investment firms who execute client orders to summarise and publish the top five execution venues in terms of trading volumes, for each class of financial instrument where they executed client orders in the preceding year, as well as information on the quality of execution obtained. If the investment firm does not execute client orders directly on a trading venue, then they are required to publish information on the top five firms with which they placed orders to be executed.

The reports and analysis for Cowen Execution Services Limited for the period 1 January to 31 December 2019 are included in this report.

3. SCOPE AND PURPOSE OF THIS REPORT

Commission Delegated Regulation (EU) 2017/576 (“RTS 28”) lays down rules on the content and the format of information to be published by investment firms on an annual basis in relation to client orders executed on/through trading venues, systematic internalisers, market makers or other liquidity providers or entities that perform a similar function to those performed by any of the foregoing in a third country.

For each class of financial instruments investment firms are required to publish a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed client orders in the previous year. The information should include details such as:

- Price, costs, speed, likelihood of execution or any other considerations made when selecting a venue for the order;
- Whether there are any close links, conflict of interests and common ownerships with respect to any execution venue;
- Whether there are any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
- An explanation of the factors that led to any change in the list of execution venues;
- An explanation of how order execution differs according to client categorisation;

- Where applicable, 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 possible result in terms of the total consideration to the client;
- An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575 (covering the data that execution venues must publish on the quality of execution of transactions); and
- Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

CESL's consideration of the above matters is provided on an instrument by instrument basis within the Analysis section of this report; other commentary is set out in the General Disclosures section.

4. CESL'S EXECUTION STRATEGY

During 2019 CESL expanded its international sales and trading team through the addition of seven senior hires, led by the appointment of a new CEO in London. The addition of this team added significant experience to CESL's trading floor highlighting its commitment to the EMEA region.

CESL is not a Systematic Internaliser (SI) nor does it run an MTF, and that is by design. CESL is entirely agnostic when it comes to order routing meaning that our interests are fully aligned with those of our clients.

During 2019 CESL established multiple brokerage relationships with external counterparties/brokers with which it deals directly and completely independently from its US affiliates. This is in contrast to previous years, during which CESL dealt exclusively through its US affiliates.

The following factors are considered when determining how to achieve the best possible results when executing transactions for our clients:

- price and costs;
- order typology (nature of the order);
- speed of execution;
- the overall objectives of the Client's order;
- the liquidity profile of the instrument(s);
- the size of the order;
- general market environment and prevailing market conditions;
- likelihood of execution and settlement;
- sales trader knowledge of the Clients' order-handling preferences; and
- access to trading venues to which the order can be directed.

CESL applies the above factors to each order in order to obtain the best possible results for the client and although execution can be highly dependent on price, we understand that every order received varies, as do market conditions, so there is no specific prioritisation that fits all circumstances.

As part of the brokerage execution services we provide, we place our clients' orders with other companies for execution. Unless requested by our clients those brokers are not restricted by us as to how they complete executions. Brokers may therefore utilise:

- Regulated markets;
- Multilateral Trading Facilities (MTFs) or equivalents;
- Organised Trading Facilities (OTFs) or equivalents;
- Systematic Internalisers (SIs); and / or
- Market makers or other liquidity providers and/or non-EEA entities performing similar functions.

During 2019 CESL routed some of its orders through its US affiliates Cowen Execution Services LLC ("CES") and Cowen and Company LLC ("C&C"). CES was registered as a broker-dealer with the U.S. Securities and Exchange Commission and was a member of the Financial Industry Regulatory Authority ("FINRA") however as a result of a merger in May 2020 CES was merged with and into C&C. For the purposes of this report, which covers data for 2019, orders executed through CES are shown in the execution reports below as orders placed with Cowen Execution Services LLC.

C&C is also registered as a broker-dealer with the U.S. Securities and Exchange Commission and is a member of FINRA. Orders executed through C&C are shown in the execution reports below as orders placed with Cowen and Company LLC.

5. GENERAL DISCLOSURES

5.1. When CESL passes an order to a third-party broker for execution we classify each legal entity within the broker's group as a separate entity for the purposes of this report.

5.2. RTS 28 reporting requires firms to classify executed orders as either "passive", "aggressive" or "directed", where these are defined as the follows:

- "passive" order means an order entered into the order book that provided liquidity;
- "aggressive" order means an order entered into the order book that took liquidity;
- "directed" order means an order where a specific execution venue was specified by the client prior to the execution of the order.

Only orders executed directly on exchange would be eligible for this "passive" or "aggressive" classification. As CESL places all orders with executing brokers, and does not utilise direct market access, there are no trades eligible for "passive" or "aggressive" identification.

Where a client directs CESL to execute on a specific venue or with a specific broker these instructions are taken into consideration when handling the order.

5.3. Where the tables below indicate execution venues, these are the brokers with which the trade instructions have been placed.

6. EXECUTION REPORTS ANALYSIS

6.1. Quantitative assessment of execution for equities – shares and depositary receipts - Tick size liquidity band 1 & 2

| Class of Instrument | Equities - Shares & Depositary Receipts (Tick Size liquidity bands 1 and 2) | | |
|---|---|--|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N | | |
| Top five execution venues ranked in terms of trading volumes (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 directed orders |
| COWEN EXECUTION SERVICES LLC - 5493005RJDJD180PUP27 | 94.13% | 97.59% | 0% |
| GOLDMAN SACHS INTERNATIONAL - W22LROWP2IHZNBB6K528 | 4.52% | 1.29% | 0% |
| CLSA (UK) - 213800VZMAGVIU2IJA72 | 0.73% | 0.91% | 0% |
| BARCLAYS CAPITAL SECURITIES LIMITED - K9WDOH4D2PYBSLSOB484 | 0.36% | 0.11% | 0% |
| J&E DAVY - 63540061DPCBNMCGRY22 | 0.07% | 0.02% | 0% |

6.2. Quantitative assessment of execution for equities – shares and depositary receipts - Tick size liquidity band 3 & 4

| Class of Instrument | Equities - Shares & Depositary Receipts (Tick Size liquidity bands 3 and 4) | | |
|---|---|--|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N | | |
| Top five execution venues ranked in terms of trading volumes (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 directed orders |
| COWEN EXECUTION SERVICES LLC - 5493005RJDJD180PUP27 | 97.72% | 99.72% | 0% |
| GOLDMAN SACHS INTERNATIONAL - W22LROWP2IHZNBB6K528 | 0.96% | 0.07% | 0% |
| BARCLAYS CAPITAL SECURITIES LIMITED - K9WDOH4D2PYBSLSOB484 | 0.61% | 0.05% | 0% |
| CLSA (UK) - 213800VZMAGVIU2IJA72 | 0.35% | 0.10% | 0% |
| COWEN AND COMPANY LLC - 549300WR155U7DVMIW58 | 0.16% | 0.02% | 0% |

6.3. Quantitative assessment of execution for equities – shares and depositary receipts - Tick size liquidity band 5 & 6

| Class of Instrument | Equities - Shares & Depositary Receipts (Tick Size liquidity bands 5 and 6) | | |
|---|---|--|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N | | |
| Top five execution venues ranked in terms of trading volumes (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 directed orders |
| COWEN EXECUTION SERVICES LLC - 5493005RJDJD180PUP27 | 97.37% | 99.89% | 0% |
| GOLDMAN SACHS INTERNATIONAL - W22LROWP2IHZNBB6K528 | 1.72% | 0.06% | 0% |
| BANK OF AMERICA MERRILL LYNCH INTERNATIONAL - EQYXK86SF381Q21S3020 | 0.35% | 0.01% | 0% |
| COWEN AND COMPANY LLC - 549300WR155U7DVMIW58 | 0.26% | 0.03% | 0% |
| BARCLAYS CAPITAL SECURITIES LIMITED - K9WDOH4D2PYBSLSOB484 | 0.17% | 0.01% | 0% |

6.4. Qualitative assessment of execution for equities – shares and depositary receipts – All Liquidity bands

(a) Explanation of the relative importance CESL gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

In line with the CESL Best Execution Policy, all factors including price, costs, speed, likelihood of execution, size and other considerations such as current market conditions and news flows are considered for all orders and will vary in their relative importance with the characteristics of each client order. The relative importance given to each factor will vary depending on the security/instrument type, the size of the order relative to the available liquidity and the impact that speed may have on price. Where a security/instrument is less liquid (for example wider spreads, less volume on bids and offers), then the importance of price and speed may be less relevant than accessing any available liquidity (i.e. likelihood of execution). In circumstances of high market volatility, speed of execution may be considered of greater relative importance.

(b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used by CESL to execute orders

CESL may choose to execute through its US affiliates; however these do not charge any additional fees

to CESL over and above the fees charged by its direct third-party execution brokers. The selection and use of affiliated entities is subject to the same monitoring and review processes applied to third party brokers.

(c) Description of any specific arrangements that CESL may have with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

CESL has not entered into any arrangements with its execution venues regarding payments made or received, discounts or non-monetary benefits that would compromise its ability to meet its obligations with regards to best execution, conflicts of interest or inducements.

(d) Explanation of the factors that led to a change in the list of execution venues listed in the CESL execution policy

During 2019 CESL established new direct relationships with multiple brokers in order to streamline the execution flow for CESL clients. The execution quality provided by our brokers is kept under ongoing review and new brokers are added periodically where it is considered they will be able to improve on the quality of execution that we can provide to our clients. We may add a new broker for a variety of reasons such as expertise in particular areas of the market, the ability to access liquidity pools that are not readily available to our other brokers or improved operational efficiency, among other factors.

(e) Explanation of how order execution differs according to client categorisation, where CESL treats categories of clients differently and where it may affect the order execution arrangements

As CESL only deals with Professional Clients client categorisation is not a relevant factor when considering how to execute an order.

(f) 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 CESL does not deal with Retail clients this reporting requirement is not relevant to us.

(g) Explanation of how CESL used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575

CESL uses a robust third-party analytical system as the core of our execution review framework. This specialist technology provides a detailed quantitative assessment and in depth analysis of execution data. The execution analysis system also provides Transaction Cost Analysis ("TCA") and a tool for monitoring execution quality that allows for a comprehensive review of any best execution exceptions.

In addition to this specialised execution analysis provider, CESL also uses a range of both proprietary & standard market tools to analyse execution quality including Fidessa, Bloomberg and other market data providers. In addition, we maintain close relations with all of our brokers and are in regular discussion with them to interrogate the results they achieve for us.

Execution quality is reviewed on a real time basis by the front office, which also reviews execution quality on a post trade basis, as does the Compliance department. The matters considered as part of our best execution quality may include adherence to specific client instructions, use of most appropriate third party broker, speed of order passing, price achieved versus the relevant benchmark and overall broker conduct in their handling of the order.

A Best Execution Committee comprising relevant members of the Board and other senior management has been established to provide a formal governance framework for the review and challenge of our execution arrangements with a view to achieving ever improving results of our clients.

(h) An explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

There were no such Consolidated Tape Providers available in Europe during the period to which this reports relates.

6.5. Quantitative assessment of execution for securitized derivatives

| Class of Instrument | Securitized derivatives | | |
|---|--|--|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N | | |
| Top five execution venues ranked in terms of trading volumes (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 directed orders |
| COWEN EXECUTION SERVICES LLC - 5493005RJDJD180PUP27 | 100% | 100% | 0% |

6.6. Qualitative assessment of execution for securitized derivatives

(a) Explanation of the relative importance CESL gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

In line with the CESL Best Execution Policy, all factors including price, costs, speed, likelihood of execution, size and other considerations such as current market conditions and news flows are considered for all orders and will vary in their relative importance with the characteristics of each client order. The relative importance given to each factor will vary depending on the security/instrument type, the size of the order relative to the available liquidity and the impact that speed may have on price. Where a security/instrument is less liquid (for example wider spreads, less volume on bids and offers), then the importance of price and speed may be less relevant than accessing any available liquidity (i.e.

likelihood of execution). In circumstances of high market volatility, speed of execution may be considered of greater relative importance.

For 2019, Securitised Derivatives formed a very small (<1%) proportion of CESL's overall business.

(b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used by CESL to execute orders

CESL may choose to execute through its US affiliates; however these do not charge any additional fees to CESL over and above the fees charged by its direct third-party execution brokers. The selection and use of affiliated entities is subject to the same monitoring and review processes applied to third party brokers.

(c) Description of any specific arrangements that CESL may have with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

CESL has not entered into any arrangements with its execution venues regarding payments made or received, discounts or non-monetary benefits that would compromise its ability to meet its obligations with regards to best execution, conflicts of interest or inducements.

(d) Explanation of the factors that led to a change in the list of execution venues listed in the CESL execution policy

During 2019 CESL established new direct relationships with multiple brokers in order to streamline the execution flow for CESL clients

The execution quality provided by our brokers is kept under ongoing review and new brokers are added periodically where it is considered they will be able to improve on the quality of execution that we can provide to our clients. We may add a new broker for a variety of reasons such as expertise in particular areas of the market, the ability to access liquidity pools that are not readily available to our other brokers or improved operational efficiency, among other factors.

(e) Explanation of how order execution differs according to client categorisation, where CESL treats categories of clients differently and where it may affect the order execution arrangements

As CESL only deals with Professional Clients client categorisation is not a relevant factor when considering how to execute an order.

(f) 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 CESL does not deal with Retail clients this reporting requirement is not relevant to us.

(g) Explanation of how CESL used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575

CESL uses a robust third-party analytical system as the core of our execution review framework. This specialist technology provides a detailed quantitative assessment and in depth analysis of execution data. The execution analysis system also provides Transaction Cost Analysis ("TCA") and a tool for monitoring execution quality that allows for a comprehensive review of any best execution exceptions.

In addition to this specialised execution analysis provider, CESL also uses a range of both proprietary & standard market tools to analyse execution quality including Fidessa, Bloomberg and other market data providers. In addition, we maintain close relations with all of our brokers and are in regular discussion with them to interrogate the results they achieve for us.

Execution quality is reviewed on a real time basis by the front office, which also reviews execution quality on a post trade basis, as does the Compliance department. The matters considered as part of our best execution quality may include adherence to specific client instructions, use of most appropriate third party broker, speed of order passing, price achieved versus the relevant benchmark and overall broker conduct in their handling of the order.

A Best Execution Committee comprising relevant members of the Board and other senior management has been established to provide a formal governance framework for the review and challenge of our execution arrangements with a view to achieving ever improving results of our clients.

(h) An explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

There were no such Consolidated Tape Providers available in Europe during the period to which this reports relates.

6.7. Quantitative assessment of execution for exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities)

| 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 the previous year | N | | |
| Top five execution venues ranked in terms of trading volumes (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 directed orders |
| COWEN EXECUTION SERVICES LLC - 5493005RJDJD18OPUP27 | 97.88% | 99.934% | 0% |
| FLOW TRADERS BV- 549300CLJI9XDH12XV51 | 0.75% | 0.003% | 0% |
| COWEN AND COMPANY LLC - 549300WR155U7DVMIW58 | 0.62% | 0.036% | 0% |
| SUSQUEHANNA INTERNATIONAL SECURITIES LIMITED - 635400IAV22ZOU1NFS89 | 0.28% | 0.001% | 0% |
| GOLDMAN SACHS INTERNATIONAL - W22LROWP2IHZNBB6K528 | 0.27% | 0.011% | 0% |

6.8. Qualitative assessment of execution for exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities)

(a) Explanation of the relative importance CESL gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

In line with the CESL Best Execution Policy, all factors including price, costs, speed, likelihood of execution, size and other considerations such as current market conditions and news flows are considered for all orders and will vary in their relative importance with the characteristics of each client order. The relative importance given to each factor will vary depending on the security/instrument type, the size of the order relative to the available liquidity and the impact that speed may have on price. Where a security/instrument is less liquid (for example wider spreads, less volume on bids and offers), then the importance of price and speed may be less relevant than accessing any available liquidity (i.e. likelihood of execution). In circumstances of high market volatility, speed of execution may be considered of greater relative importance.

(b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used by CESL to execute orders

CESL may choose to execute through its US affiliates however these do not charge any additional fees to CESL over and above the fees that they are charged by its direct third-party execution brokers. The selection and use of affiliated entities is subject to the same monitoring and review processes applied to

third party brokers.

(c) Description of any specific arrangements that CESL may have with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

CESL has not entered into any arrangements with its execution venues regarding payments made or received, discounts or non-monetary benefits that would compromise its ability to meet its obligations with regards to best execution, conflicts of interest or inducements.

(d) Explanation of the factors that led to a change in the list of execution venues listed in the CESL execution policy

During 2019 CESL established new direct relationships with multiple brokers in order to streamline the execution flow for CESL clients

The execution quality provided by our brokers is kept under ongoing review and new brokers are added periodically where it is considered they will be able to improve on the quality of execution that we can provide to our clients. We may add a new broker for a variety of reasons such as expertise in particular areas of the market, the ability to access liquidity pools that are not readily available to our other brokers or improved operational efficiency, among other factors.

(e) Explanation of how order execution differs according to client categorisation, where CESL treats categories of clients differently and where it may affect the order execution arrangements

As CESL only deals with Professional Clients client categorisation is not a relevant factor when considering how to execute an order.

(f) 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 CESL does not deal with Retail clients this reporting requirement is not relevant to us.

(g) Explanation of how CESL used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575

CESL uses a robust third-party analytical system as the core of our execution review framework. This specialist technology provides a detailed quantitative assessment and in depth analysis of execution data. The execution analysis system also provides Transaction Cost Analysis ("TCA") and a tool for monitoring execution quality that allows for a comprehensive review of any best execution exceptions.

In addition to this specialised execution analysis provider, CESL also uses a range of both proprietary & standard market tools to analyse execution quality including Fidessa, Bloomberg and other market data

providers. In addition, we maintain close relations with all of our brokers and are in regular discussion with them to interrogate the results they achieve for us.

Execution quality is reviewed on a real time basis by the front office, which also reviews execution quality on a post trade basis, as does the Compliance department. The matters considered as part of our best execution quality may include adherence to specific client instructions, use of most appropriate third party broker, speed of order passing, price achieved versus the relevant benchmark and overall broker conduct in their handling of the order.

A Best Execution Committee comprising relevant members of the Board and other senior management has been established to provide a formal governance framework for the review and challenge of our execution arrangements with a view to achieving ever improving results of our clients.

(h) An explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

There were no such Consolidated Tape Providers available in Europe during the period to which this reports relates.

6.9. Quantitative assessment of execution for other instruments

| Class of Instrument | Other Instruments | | |
|---|--|--|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N | | |
| Top five execution venues ranked in terms of trading volumes (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 directed orders |
| COWEN EXECUTION SERVICES LLC - 5493005RJDJD180PUP27 | 98.92% | 98.72% | 0% |
| COWEN AND COMPANY LLC - 549300WR155U7DVMIW58 | 0.86% | 0.97% | 0% |
| EFG Hermes Holding SAE - 5586005JYFTUMPVGE837 | 0.16% | 0.2% | 0% |
| BCS PRIME BROKERAGE LIMITED - 213800UU8AHE2B6QUI26 | 0.05% | 0.09% | 0% |
| GOLDMAN SACHS INTERNATIONAL - W22LROWP2IHZNBB6K528 | 0.01% | 0.02% | 0% |

6.10. Qualitative assessment of execution for other instruments

(a) Explanation of the relative importance CESL gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

In line with the CESL Best Execution Policy, all factors including price, costs, speed, likelihood of execution, size and other considerations such as current market conditions and news flows are considered for all orders and will vary in their relative importance with the characteristics of each client order. The relative importance given to each factor will vary depending on the security/instrument type, the size of the order relative to the available liquidity and the impact that speed may have on price. Where a security/instrument is less liquid (for example wider spreads, less volume on bids and offers), then the importance of price and speed may be less relevant than accessing any available liquidity (i.e. likelihood of execution). In circumstances of high market volatility, speed of execution may be considered of greater relative importance.

For 2019, other instruments formed a very small (<1%) proportion of CESL's overall business.

(b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used by CESL to execute orders

CESL may choose to execute through its US affiliates however these do not charge any additional fees to CESL over and above the fees that they are charged by its direct third-party execution brokers. The selection and use of affiliated entities is subject to the same monitoring and review processes applied to third party brokers.

(c) Description of any specific arrangements that CESL may have with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

CESL has not entered into any arrangements with its execution venues regarding payments made or received, discounts or non-monetary benefits that would compromise its ability to meet its obligations with regards to best execution, conflicts of interest or inducements.

(d) Explanation of the factors that led to a change in the list of execution venues listed in the CESL execution policy

During 2019 CESL established new direct relationships with multiple brokers in order to streamline the execution flow for CESL clients

The execution quality provided by our brokers is kept under ongoing review and new brokers are added periodically where it is considered they will be able to improve on the quality of execution that we can provide to our clients. We may add a new broker for a variety of reasons such as expertise in particular areas of the market, the ability to access liquidity pools that are not readily available to our other brokers, or improved operational efficiency, among other factors.

(e) Explanation of how order execution differs according to client categorisation, where CESL treats categories of clients differently and where it may affect the order execution arrangements

As CESL only deals with Professional Clients client categorisation is not a relevant factor when

considering how to execute an order.

(f) 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 CESL does not deal with Retail clients this reporting requirement is not relevant to us.

(g) Explanation of how CESL used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575

CESL uses a robust third-party analytical system as the core of our execution review framework. This specialist technology provides a detailed quantitative assessment and in depth analysis of execution data. The execution analysis system also provides Transaction Cost Analysis ("TCA") and a tool for monitoring execution quality that allows for a comprehensive review of any best execution exceptions.

In addition to this specialised execution analysis provider, CESL also uses a range of both proprietary & standard market tools to analyse execution quality including Fidessa, Bloomberg and other market data providers. In addition, we maintain close relations with all of our brokers and are in regular discussion with them to interrogate the results they achieve for us.

Execution quality is reviewed on a real time basis by the front office, which also reviews execution quality on a post trade basis, as does the Compliance department. The matters considered as part of our best execution quality may include adherence to specific client instructions, use of most appropriate third party broker, speed of order passing, price achieved versus the relevant benchmark and overall broker conduct in their handling of the order.

A Best Execution Committee comprising relevant members of the Board and other senior management has been established to provide a formal governance framework for the review and challenge of our execution arrangements with a view to achieving ever improving results of our clients.

(h) An explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

There were no such Consolidated Tape Providers available in Europe during the period to which this reports relates.

CAPABILITIES

MARKETS

INVESTMENT BANKING

RESEARCH

INVESTMENT MANAGEMENT

PRIME BROKERAGE

OUTSOURCED TRADING

KYBER DATA SCIENCE

CONFERENCES & CORPORATE ACCESS

LOCATIONS

U.S.

ATLANTA
BOSTON
CHICAGO
CLEVELAND
DALLAS
DETROIT
HOUSTON
INDIANAPOLIS
LOS ANGELES
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