

REPORT PAPER

Regulatory Technical Standard 28 (RTS 28) Best Execution Report

2018

For today's investor



Contents

- 3** Qualitative summary of our monitoring of execution quality in 2018
- 6** Equities
- 9** Fixed Income
- 10** Exchange Traded (ETD) & OTC Derivatives
- 14** Foreign Exchange
- 15** Money Market Instruments
- 16** Securities Financing Transactions

Qualitative summary of our monitoring of execution quality in 2018

Aviva Investors conducts daily best execution monitoring and monthly transaction cost analysis to review execution performance and to ensure that the execution venues and counterparties selected for different instrument types continue to consistently provide the best possible result for clients. Transaction cost analysis (TCA) is used as a pre and post trade monitoring tool. Aviva Investors utilises independent providers, particular to each asset class, to measure both the market impact and opportunity costs of equity, fixed income and foreign exchange trades and trading strategies.

The Aviva Investors Trader Oversight Group (TOG) meets each month to review and challenge the performance of our trading teams and to assess our ongoing compliance with Aviva Investors' Global Order Execution Policy and best execution obligations. The TOG utilises TCA summary reports, 1st and 2nd line best execution monitoring, volume and venue trend analysis across all asset classes and instruments, post-trade operational reporting, as well as input from our legal team on the progress of onboarding new venues or counterparties.

Overview:	
Have there been any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders?	There have been no close links, conflicts of interests nor common ownerships with any execution venues or counterparties used by the firm. Aviva Investors has robust policies and procedures in place in order to ensure that arrangements with counterparties are in the best interest of clients. Some counterparties may offer Aviva Investors minor non-monetary benefits permissible under the Markets In Financial Instruments Directive 2014/65/EU (MiFID II) and our internal policies. A copy of our conflicts of interest policy is available upon request.
Are there any specific arrangements in place with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received?	There are no specific arrangements concerning payments made or received, discounts, rebates or non-monetary benefits with any current execution venues.
Has the list of execution venues listed in the firm's execution policy changed in the period? if so, what factors led to the change?	FX – there were no material changes in 2018. Equities – one broker that did not feature on our RTS28 reporting in 2017 ranks first by volume for 2018 (bands 5 and 6). Our volumes have increased markedly year over year and this counterparty has offered greater risk provision, higher crossing rates for cash trading, as well as improved programme trading service. Fixed Income – there were no material changes in 2018. Money Markets – there were no material changes in 2018.
Explain 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.	Not applicable as the firms' clients are all categorised as professional.
How has the firm used any data or tools relating to the quality of execution, including any data published under RTS 27?	In addition to our 1st and 2nd line monitoring of execution performance we utilise independent TCA, where we feel data quality is sufficient to generate worthwhile analysis. The output of this analysis is in line with our in-house monitoring and has not therefore materially affected our choice of venues in 2018. We had hoped to use RTS27 data to support the detailed analysis of any trade outliers (as highlighted by the application of our 1st line Best Execution tolerances for each asset class). Unfortunately, although the data is in a machine-readable format it is not possible to filter by ISIN. However, Aviva Investors has an ongoing programme of RTS27 investigation and we continue to explore ways in which we can leverage this data. Over the last year, we have met directly with a number of our counterparties to discuss their RTS 27 reports, as well as our TCA providers, who have started to develop data mining technology which may assist us over time.
How has the firm used the output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.	In the absence of a consolidated tape we rely on third party providers to produce composite market information for some of the instruments we trade. We would welcome the production of a consolidated tape, particularly if it could be utilised efficiently.

Aviva Investors takes into account various execution factors to determine the manner in which orders are executed, including but not limited to:

- Price
- Cost
- Size of the order
- Speed
- Likelihood of execution & settlement
- Nature of the Order
- Other considerations – e.g. investment objectives of the Portfolio Manager

The relative importance of these factors differ according to the instrument being traded and the particular trading strategy being deployed by the trader at that time.

Aviva Investors maintains a comprehensive list of approved brokers and venues for the provision of execution services, which is available to clients on request. A list of execution venues and broker entities with which Aviva Investors places or transmits orders for execution may change, as market structures evolve, and will be subject to ongoing monitoring and analysis for the quality of execution. The key factors considered in selecting venues and brokers will be:

- Market coverage: consideration of the coverage of global markets or specialist coverage by region.
- Instrument coverage: consideration of the expertise of the broker/venue across non-complex products and/or more diverse or complex products such as derivatives.
- Trading protocols: consideration of whether the counterparty offers RFQ (Request for quotation), list functionality, open trading, ALL to ALL, dark pool, crossing and other protocols.
- Cost to transact: consideration of whether the costs to transact with the counterparty are transparent and fair to all participants.
- Efficiency: Aviva Investors will also give due consideration to whether the venue can reduce operational risk by providing straight through processing directly from Aviva Investors' order management system through to settlement especially on more complex instruments such as derivatives.
- Reliability: Aviva Investors will assess whether the quality of the service provided by the broker or venue is of high standard, focusing on, inter alia, the availability of prices quoted and the robustness of those firms' IT infrastructure.

For your consideration:

Aviva Investors has chosen to aggregate its reporting under RTS 28 and Article 65(6) of the MiFID II Delegated Regulation into a single disclosure (Top 5 Counterparty Report). For each class of financial instrument Aviva Investors will only either place or execute client orders.

Any RTS 28 financial instrument not listed in this disclosure is not placed or executed by Aviva Investors. This document should be read in conjunction with the Aviva Investors Global Order Execution Policy.

The percentage of passive and aggressive orders for each Top 5 Counterparty Report have not been included as Aviva Investors does not execute equity or equity-like instruments directly in the market and does not operate an order book for non-equity instruments.

The percentage of directed orders has also not been included as Aviva Investors has full discretion on where client orders are placed or executed.

Aviva Investors monitors quality of execution via its first and second-line monitoring framework and independent TCA. Where Aviva Investors feels data is sufficient to generate worthwhile analysis, data from key trading venues and internal records is utilised. The outcomes of these monitoring activities are reviewed at our Trader Oversight Group and used to review and challenge our internal model and counterparties performance.

Explanation of Terms for Quantitative Tables

- Top 5 Execution Venues (name and venue identifier) ranked in terms of trading volumes in descending order
- Volume Traded (%) - Proportion of Volume Traded as a Percentage of total in the instrument class for the calendar year
- Orders Executed (%) - Proportion of Orders Executed as a Percentage of total in the instrument class for the calendar year
- Class of Instrument – European Securities and Markets Authority (ESMA) defined Class of Instrument Group
- <1 Average trade per business day - Flag to note if the Instrument Class traded fewer than one order per business day on average per calendar year. Takes values Y or N



Equities

Class of Instrument		Equities – Tick size liquidity bands 5 and 6 (from 2000 trades per day)	
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 asset class	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	12.32%	9.87%	
UBS AG - BFM8T61CT2L1QCEMIK50	10.19%	10.76%	
Goldman Sachs International - W22LROWP2IHZNBB6K528	9.49%	11.64%	
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	8.58%	13.75%	
Bank of America Merrill Lynch International Designated Activity Company - EQYXK86SF381Q21S3020	8.04%	2.94%	

Class of Instrument		Equities – Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)	
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 asset class	
UBS AG - BFM8T61CT2L1QCEMIK50	13.94%	10.90%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	10.12%	8.93%	
Goldman Sachs International - W22LROWP2IHZNBB6K528	9.28%	9.41%	
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	9.08%	15.09%	
Investment Technology Group Limited - 213800EEC95PRUCEUP63	5.58%	2.09%	

Class of Instrument		Equities – Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)	
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 asset class	
UBS AG - BFM8T61CT2L1QCEMIK50	17.23%	15.26%	
Goldman Sachs International - W22LROWP2IHZNBB6K528	11.20%	10.68%	
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	10.73%	11.63%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	9.99%	9.26%	
Citigroup Global Markets Limited - XKZZZJZF41MRHTR1V493	8.41%	10.97%	

Class of Instrument		Equities – Other ¹	
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 asset class	
UBS AG - BFM8T61CT2L1QCEMIK50	31.20%	32.75%	
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	20.34%	23.10%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	15.00%	15.39%	
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	5.44%	6.43%	
CLSA (UK) - 213800VZMAGVIU2IJA72	4.76%	1.82%	

Class of Instrument		Exchanged Traded Products 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 asset class	
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	34.66%	60.65%	
Investment Technology Group Limited - 213800EEC95PRUCEUP63	17.27%	1.33%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	15.14%	16.62%	
Societe Generale - O2RNE8IBXP4R0TD8PU41	10.61%	0.97%	
Morgan Stanley & Co. International PLC - 4PQUHN3JPFQFNF3BB653	7.89%	1.90%	

1. Equities Other – This table encompasses the balance of our activity not already included in the preceding ESMA defined Equity classes.

2. ESMA Guidance on this table recommends the inclusion of REITs. Please note we have executed significant volume in this instrument type in 2018 – in addition to our normal activity in ETFs.

Class of Instrument		Securitized Derivatives - Warrants and Certificate Derivatives	
Notification if <1 average trade per business day in the previous year		Y	
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 asset class	
Goldman Sachs International - W22LROWP2IHZNBB6K528	29.50%	8.45%	
Morgan Stanley & Co. International PLC - 4PQUHN3JPFGFNF3BB653	26.10%	16.90%	
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	15.29%	14.08%	
UBS AG - BFM8T61CT2L1QCEMIK50	12.80%	32.39%	
Royal Bank of Canada - ES7IP3U3RHIGC71XBU11	12.70%	8.50%	

Due to the liquid nature of the majority of equity trades, for orders of a normal market size, Aviva Investors places the highest importance on price, followed by likelihood of execution. For large size programme trades or illiquid securities one broker may be selected based on previous experience in handling orders in that region or security.

The top five brokers have a broad trading coverage of cash equity and program trading globally which is consistent across all liquidity bands.

We currently use the electronic trading product suites of six brokers. These brokers are reviewed bi-annually based on TCA, trading service and overall performance. An Algo Trading wheel is used as a data driven broker selection tool for a portion of our electronic orders.



Fixed Income

Rates and Credit

With respect to the percentage of trades that we placed on an MTF (Multi-lateral trading facility) as opposed to voice see the below:

Venue	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that asset class
Tradeweb	55.10%	64.90%
Bloomberg	14.89%	18.27%
Liquidnet	1.17%	1.21%
Market Axess	1.15%	2.70%
Venue Total	72.31%	87.08%

Our use of MTFs for Fixed Income activity has increased significantly since the publication of our RTS 28 Report for 2017. In 2017 the total by volume was 31.74% and 52.88% for proportion of orders executed, versus 72.31 and 87.08% in 2018.

This data would seem to suggest that liquidity in electronically traded Fixed Income products has improved substantially, however, it is worth highlighting that we also input 'process trades' via these platforms to ensure the downstream efficiency of our post-trade reporting obligations. We estimate that in volume terms the % of process trades executed via MTFs is approximately 20% for 2018 and explains the majority of the increase in our MTF volumes.

Class of Instrument	Debt Instruments - Bonds	
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 asset class
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	11.10%	11.47%
Natwest Markets PLC - RR3QWICWWIPCS8A4S074	9.41%	6.85%
HSBC Bank PLC - MP6I5ZYZBEU3UXPYFY54	8.41%	6.03%
Deutsche Bank Aktiengesellschaft - 7LTFZYICNSX8D621K86	7.09%	6.47%
Morgan Stanley & Co. International PLC - 4PQUHN3JPFQFNF3BB653	6.21%	6.35%

Due to the liquid nature of the markets Aviva Investors transacts in Fixed Income (FI) rates, for orders in normal market size, the greatest emphasis is placed on price followed by likelihood of execution/ settlement and speed. Normal market-sized trades are executed on electronic trading venues whenever possible.

For large-sized orders, or orders in a less-liquid currency, a single bank may be selected to price or work all or part of the order. This counterparty would be selected on previous experience in handling such orders, and any axes they may have. In this case price is still the main consideration, but the size of the order able to be traded and likelihood of execution and settlement also become very important factors.

The top five venues for Fixed Income reflect the performance of these counterparties across the range of currencies and order sizes traded. These venues reflect strength in GBP markets, which make up a significant proportion of the overall trading volumes. Specifically, Barclays had a stronger year in 2018 versus 2017 due to their improvement in GBP markets, otherwise our counterparty list remained broadly similar to 2017.

Fixed Income Credit can sometimes be a very illiquid market. Therefore, the likelihood of execution is placed alongside price as the key execution factors.

The top five venues for Fixed Income Credit during 2018 have provided trading coverage across the wide range of credit sectors that Aviva Investors trade. These venues provide consistent pricing in all market conditions and have the ability to utilise their balance sheet to facilitate trading. Also considered is the breadth of distribution channels offered to provide better execution coverage. In addition, hit ratios on MTF trading venues for RFQ enquiry will also be taken into account.



Exchange Traded (ETD) & OTC Derivatives

Class of Instrument		Equity Derivatives - Options and Futures (Futures & Listed/OTC Options)	
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 asset class	
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	14.81%	9.25%	
Societe Generale - O2RNE8IBXP4R0TD8PU41	14.55%	8.58%	
Bank of America Merrill Lynch International Designated Activity Company - EQYXK86SF381Q21S3020	12.08%	6.72%	
Morgan Stanley & Co. International PLC - 4PQUHN3JPFQFNF3BB653	11.60%	8.22%	
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	9.99%	3.69%	

Class of Instrument		Equity Derivatives - Swaps and other Equity Derivatives (TRS & Variance Swaps)	
Notification if <1 average trade per business day in the previous year		Y	
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 asset class	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	21.44%	42.57%	
Citibank, National Association - E57ODZWZ7FF32TWEFA76	16.30%	2.62%	
BNP Paribas - R0MUWSFPU8MPRO8K5P83	13.55%	11.66%	
Societe Generale - O2RNE8IBXP4R0TD8PU41	10.21%	19.24%	
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	9.47%	5.25%	

Class of Instrument		Interest Rate Derivatives - Swaps, forwards and other interest rates 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 asset class	
Morgan Stanley & Co. International PLC - 4PQUHN3JPF6FNF3BB653	12.24%	8.13%	
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	10.11%	6.02%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	10.00%	16.52%	
UBS AG - BFM8T61CT2L1QCEMIK50	9.53%	5.73%	
Deutsche Bank Aktiengesellschaft - 7LTWFZYICNSX8D621K86	7.86%	6.77%	

Class of Instrument		Interest Rate Derivatives – Futures and Options admitted to trading on a trading venue (ETD & Swaptions)	
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 asset class	
Goldman Sachs International - W22LROWP2IHZNBB6K528	17.34%	7.09%	
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	12.69%	3.29%	
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	10.20%	10.92%	
Nomura International PLC - DGQCSV2PHVF7I2743539	9.04%	12.27%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	8.60%	17.08%	

Exchange Traded (ETD) & OTC Derivatives continued

Class of Instrument		Credit Derivatives - Other Credit Derivatives (Index/ Single name & tranche CDS)	
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 asset class	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	31.28%	20.44%	
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	20.33%	2.87%	
Goldman Sachs International - W22LROWP2IHZNBB6K528	12.69%	13.96%	
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	10.97%	20.06%	
Citibank, National Association - E57ODZWZ7FF32TWEFA76	9.36%	2.99%	

Class of Instrument		Credit Derivatives - Other Credit Derivatives (CDS Options)	
Notification if <1 average trade per business day in the previous year		Y	
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 asset class	
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	34.84%	22.00%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	33.10%	38.00%	
BNP Paribas - R0MUWSFPU8MPRO8K5P83	31.17%	32.00%	
Morgan Stanley & Co. International PLC - 4PQUHN3JPF GFNF3BB653	0.89%	8.00%	

Class of Instrument		Currency Derivatives - Futures and options admitted to trading on a trading venue	
Notification if <1 average trade per business day in the previous year		Y	
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 asset class	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	32.23%	26.70%	
Goldman Sachs International - W22LROWP2IHZNBB6K528	15.24%	7.33%	
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	15.18%	13.61%	
BNP Paribas - ROMUWSFPU8MPRO8K5P83	13.41%	17.28%	
HSBC Bank PLC - MP6I5ZYZBEU3UXPYFY54	8.86%	5.24%	
* Currency Derivatives – J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32 is currently ranked #1 for Futures and Options. This is incorrect, we can confirm the correct legal entity is JP MORGAN CHASE BANK, NA - 7H6GLXDRUGQUFU57RNE97.			

The relative importance of the execution factors for OTC derivatives and exchange traded derivatives is for the most part governed by the complexity of both the financial instrument and the asset class. However, as a default, price and likelihood of execution rank above other factors. Client eligibility (in terms of ISDA/CDEA documentation) is a factor in the counterparty selection process.

Regardless of asset class, where OTC derivatives are not traded on a trading venue, the fairness of the price proposed by the eligible counterparty or counterparties is checked using independent reference data. A fair market valuation is based on an assessment of this data and current liquidity conditions prior to execution. The ability to execute larger orders, may take preference if it is deemed to minimise any potential adverse market impact on the final execution. This independent price data is reviewed by the 1st line control process on a post-trade basis.

With regard to ETDs, normal market-sized orders are executed by the counterparty in the form of a Care Order. The greatest emphasis is on price and the speed of execution. For larger-sized orders, Block size or over, Care Order may be used or a counterparty may be asked for a risk price to trade the whole order depending on market liquidity at the time. This counterparty would be selected on previous experience in handling such orders, and any axes they may have. In this case price is still the main consideration, but the size of the order able to be traded and likelihood of execution and settlement are also important factors.

The top five venues for ETDs reflect the performance of these counterparties in providing competitive pricing of risk across the range of currencies and order sizes traded.



Foreign exchange

Class of Instrument		Currency Derivatives - Swaps, forwards and other currency 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 asset class	
Goldman Sachs International - W22LROWP2IHZNBB6K528	17.94%	15.21%	
Citigroup Global Markets Limited - XKZZZJZF41MRHTR1V493	9.36%	9.71%	
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	8.10%	9.68%	
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	7.76%	5.03%	
Standard Chartered Bank - RILFO74KP1CM8P6PCT96	7.51%	5.17%	
<p>* Currency Derivatives – Citigroup Global Markets Limited- XKZZZJZF41MRHTR1V493 is currently ranked #2 for Swaps, forwards and other currency derivatives. This is incorrect, we can confirm the correct legal entity is CITIBANK, NA - E57ODZWZ7FF32TWEFA76.</p> <p>* Currency Derivatives - J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32 is currently ranked #3 for Swaps, forwards and other currency derivatives. This is incorrect, we can confirm the correct legal entity is JP MORGAN CHASE BANK, NA - 7H6GLXDRUGQFU57RNE97.</p>			

Due to the highly liquid nature of the foreign exchange market, for orders of a normal market size, Aviva Investors places the highest importance on price, followed by likelihood of execution. The majority of orders are executed electronically via a multibank streaming price platform.

For larger orders or those in an illiquid currency pair, the size of the order may make electronic execution impractical. In these cases, a smaller number of counterparties may be chosen to price in competition, or if the order is significantly sized a single bank may be chosen to work all or part of the order. Client eligibility is a factor in our counterparty selection process.

The top five venues for FX are reflective of the relative outperformance of these counterparties across both methods of execution and are in line with our in-house monitoring.

Irrespective of the method of execution, the vast majority of our FX trades will be either priced in competition or post-trade allocated through an MTF. For reference the table below reflects the split between the MTFs we currently utilise.

Venue	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that asset class
FX All	48.97%	61.81%
FX Connect	42.40%	28.78%
Bloomberg	8.17%	8.83%
Venue Total	99.54%	99.42%



Money Market Instruments

Class of Instrument	Money Market	
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 asset class
Tullett Prebon (Securities) Limited - 549300BMW85YF9FGN67	24.31%	16.13%
BGC Brokers L.P. - ZWNFQ48RUL8VJZ2AIC12	12.26%	11.17%
Tradition London Clearing Limited - 549300035Z3DHK2T4A54	11.76%	8.31%
ING Bank N.V. - 3TK20IVIUJ8J3ZU0QE75	5.95%	8.67%
Intercapital Limited - 213800CPHUNULVIEMB24	5.77%	3.85%

Whilst price is an important factor in the execution of Money Market instruments, the nature of the order (credit quality of issue for example) and the likelihood of execution are equally as relevant. For any tradable money market instrument a competing price may be sought, however due to their nature, Aviva Investors may only be able to source from one party. As a consequence, money market trades are executed in close collaboration with the instructing portfolio manager to ensure our execution strategy aligns with their investment objective.

The top five venues for Money Market instruments are reflective of the relative outperformance of these counterparties based on the trading strategies we deploy.



Securities Financing Transactions

Class of Instrument		Securities Financing Transactions	
Notification if <1 average trade per business day in the previous year		N	
Top 5 venues ranked in terms of 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 asset class	
Santander UK - PTCQB104N23FMNK2RZ28	22.04%	5.10%	
Barclays Bank PLC - G5GSEF7VJP5I7OUK5573	14.14%	12.80%	
BNP Paribas SA - R0MUWSFPU8MPRO8K5P83	9.85%	11.26%	
HSBC Bank PLC - MP6I5ZYBUEU3UXPYFY54	9.11%	4.05%	
Societe Generale SA - O2RNE8IBXP4R0TD8PU41	6.40%	2.70%	

The most important execution factor is price. Additional factors would be speed of execution/confirmation and timely/efficient settlement. Another factor taken into account is the available counterparty credit limit, which can often have an impact on the selection of the counterparty.

The top five counterparties for Securities Financing Transactions detailed in the quantitative report are reflective of the relative outperformance of these counterparties based on the trading strategies we deploy.

Important Information

Except where stated as otherwise, the source of all information is Aviva Investors Global Services Limited (AIGSL). As at 2nd January 2019. Unless stated otherwise any views and opinions are those of Aviva Investors. They should not be viewed as indicating any guarantee of return from an investment managed by Aviva Investors nor as advice of any nature. Information contained herein has been obtained from sources believed to be reliable, but has not been independently verified by Aviva Investors and is not guaranteed to be accurate. Past performance is not a guide to the future. The value of an investment and any income from it may go down as well as up and the investor may not get back the original amount invested. Nothing in this material, including any references to specific securities, assets classes and financial markets is intended to or should be construed as advice or recommendations of any nature. This material is not a recommendation to sell or purchase any investment.

In the UK & Europe this material has been prepared and issued by AIGSL, registered in England No.1151805. Registered Office: St. Helen's, 1 Undershaft, London, EC3P 3DQ. Authorised and regulated in the UK by the Financial Conduct Authority. In France, Aviva Investors France is a portfolio management company approved by the French Authority "Autorité des Marchés Financiers", under n° GP 97-114, a limited liability company with Board of Directors and Supervisory Board, having a share capital of 17 793 700 euros, whose registered office is located at 14 rue Roquépine, 75008 Paris and registered in the Paris Company Register under n° 335 133 229. In Switzerland, this document is issued by Aviva Investors Schweiz GmbH, authorised by FINMA as a distributor of collective investment schemes.

In Singapore, this material is being circulated by way of an arrangement with Aviva Investors Asia Pte. Limited (AIAPL) for distribution to institutional investors only. Please note that AIAPL does not provide any independent research or analysis in the substance or preparation of this material. Recipients of this material are to contact AIAPL in respect of any matters arising from, or in connection with, this material. AIAPL, a company incorporated under the laws of Singapore with registration number 200813519W, holds a valid Capital Markets Services Licence to carry out fund management activities issued under the Securities and Futures Act (Singapore Statute Cap. 289) and Asian Exempt Financial Adviser for the purposes of the Financial Advisers Act (Singapore Statute Cap.110). Registered Office: 1Raffles Quay, #27-13 South Tower, Singapore 048583. In Australia, this material is being circulated by way of an arrangement with Aviva Investors Pacific Pty Ltd (AIPPL) for distribution to wholesale investors only. Please note that AIPPL does not provide any independent research or analysis in the substance or preparation of this material. Recipients of this material are to contact AIPPL in respect of any matters arising from, or in connection with, this material. AIPPL, a company incorporated under the laws of Australia with Australian Business No. 87 153 200 278 and Australian Company No. 153 200 278, holds an Australian Financial Services License (AFSL 411458) issued by the Australian Securities and Investments Commission. Business Address: Level 30, Collins Place, 35 Collins Street, Melbourne, Vic 3000, Australia.

The name "Aviva Investors" as used in this material refers to the global organization of affiliated asset management businesses operating under the Aviva Investors name. Each Aviva investors' affiliate is a subsidiary of Aviva plc, a publicly-traded multi-national financial services company headquartered in the United Kingdom. Aviva Investors Canada, Inc. ("AIC") is located in Toronto and is registered with the Ontario Securities Commission ("OSC") as a Portfolio Manager, an Exempt Market Dealer, and a Commodity Trading Manager. Aviva Investors Americas LLC is a federally registered investment advisor with the U.S. Securities and Exchange Commission. Aviva Investors Americas is also a commodity trading advisor ("CTA") and commodity pool operator ("CPO") registered with the Commodity Futures Trading Commission ("CFTC"), and is a member of the National Futures Association ("NFA"). AIA's Form ADV Part 2A, which provides background information about the firm and its business practices, is available upon written request to: Compliance Department, 225 West Wacker Drive, Suite 2250, Chicago, IL 60606

16314 RA19/0446/01052021

Contact us at

Aviva Investors
St Helen's, 1 Undershaft
London EC3P 3DQ
+44 (0)20 7809 6000

www.avivainvestors.com