

Metropolis Capital Limited

MIFID II – Annual Execution Venue Report

2017

1. Overview

On an annual basis, for the preceding calendar year, Metropolis Capital Ltd (“Metropolis”) is required to provide additional disclosures around the top five execution venues utilised for executing client orders as part of its portfolio management services and certain information on the quality of execution in line with the requirements of Regulatory Technical Standard 28 of the MiFID II Regulation.

2. Top 5 execution venues

Metropolis is required to use the template below to publish information, which includes the volume and number of orders executed, on each venue expressed in terms of percentage.

Class of Instrument: Equities – Shares and Depositary Receipts					
Tick size liquidity band: 1 & 2 (0-79 trades per day)					
Notification if <1 average trade per business day in the previous year: Y					
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage 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
Winterflood Securities	42.80%	48.87%	n/a	n/a	n/a
Canaccord Genuity Wealth Management	22.11%	26.37%	n/a	n/a	n/a
Ravenscroft Limited	35.09%	24.76%	n/a	n/a	n/a

3. Execution quality report

Metropolis has been appointed as investment manager to the MI Metropolis Value Fund. Metropolis is authorised and regulated by the FCA to provide services to Professional Clients only, and not to Retail Clients.

In order to demonstrate its assessment and conclusions from its detailed monitoring of the quality of execution obtained from all execution venues it utilised in the 12months to 31 December 2017, Metropolis is required to address the following:

1. Explanation of the relative importance the firm gave to the execution factors of price, costs, speed of execution, likelihood of execution or other considerations including qualitative factors when assessing the quality of execution;

Metropolis has taken all sufficient steps to obtain, when executing its orders, the best possible results for its clients considering several execution factors, including (but not limited to) price, costs, speed, likelihood of execution and settlement, size of order, nature

of order. The nature of the order may include considering the availability of liquidity and the market impact of the order. Metropolis fund managers will determine the importance of these factors on a case by case basis, using their market experience. In most cases, the most important execution factors will be price, costs and likelihood of execution.

Metropolis' fund managers monitor the trade executions as they occur. Any questions or discrepancies are queried immediately with the execution venue or broker. An assessment of the venue's effectiveness in both execution and settlement is regularly discussed with the COO and formally minuted to the Compliance Officer on a quarterly basis.

Metropolis's operations group ensures that correct transaction costs (including exchange fees and taxes) are as previously agreed or expected, before forwarding on the trade execution to the relevant custodian for trade reporting and settlement.

On an annual basis, Metropolis' board reviews its transaction costs and the effectiveness of the execution agreements with the execution venues. In the review of 2017, Metropolis's board did not detect any deficiencies in its execution arrangements.

2. Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

The Firm has no close links, conflicts of interests, or common ownerships with respect to any execution venues used to execute orders. Metropolis also has a clear policy of how conflicts of interest are identified, recorded and managed.

3. Description of any specific arrangements with any execution venues regarding payments, made or received, discounts, rebates or non-monetary benefits received;

Metropolis has individual agreements on commission rates with each of its execution venues. There are no arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received. Metropolis carries out its own extensive in-house research and analysis. Metropolis does not rely on its execution venues for any research, although prior to the introduction of MiFID II in January 2018 it may have received research and/or market commentary, whether its own, or third party, from its execution venues.

4. 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;

Metropolis has not added or replaced any execution venues during the 12 months to 31 December 2017.

5. 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;

Metropolis provides services to Professional Clients only.

During 2017, Metropolis provided services to one client only. Metropolis has nonetheless approved internal policies to ensure that each client is treated fairly in the event of a second, or further clients receiving the service. These policies are designed to ensure that clear direction is given on the matter of aggregation of orders, allocation of aggregated executions, and the treatment of partially filled orders.

6. 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;

This is not applicable as the Firm does not provide services to Retail Clients.

7. Explanation of how the investment firm has used any data or tools relating to the quality of execution and, where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.

Not applicable to Metropolis. As described above, the Firm uses market data on execution prices to gain assurance as to the quality of execution provided by appointed executing brokers.