

## **Anchor Bolt Capital (UK) LTD 2018 Qualitative Disclosure**

Anchor Bolt Capital (UK) LTD (“Anchor Bolt UK” or the “Firm”) is obligated to take all sufficient steps to obtain the best possible result for trade executions, taking into account all relevant factors such as: price, likelihood of execution and settlement, cost, speed of execution, order size, nature of the order; and any other consideration applicable to the efficient execution of an order such as the nature of the relevant market, prevailing market conditions and market impact minimization.

Anchor Bolt UK’s consideration of the above approach enabled the Firm to achieve a high quality of execution for the calendar year ending 31 December 2018. This conclusion is supported by the results of the Firm’s periodic review of its brokerage allocations and commissions from Broker Selection Process Committee and the Best Execution Committee reviews. The Best Execution Committee reviews Trade Cost Analysis data from a 3<sup>rd</sup> party provider (Bloomberg BTCA). The execution price of trades was compared to Bloomberg price spread charts to determine whether best execution was achieved. The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

Anchor Bolt UK does not have any arrangements under which the Firm receives any payment, discount, or rebate from an execution venue or investment firm.

Anchor Bolt UK has determined that it will pay for research from its Research Payment Account (“RPA”) and as such, has arrangements in place to pay for the receipt of such research. Additionally, Anchor Bolt UK may on occasion receive or provide minor non-monetary benefits from execution venues. They must be received/provided in accordance with the Firm’s Inducements policy. When selecting execution venues for inclusion in the execution policy, the Firm does not take into account the fees and commissions it will charge its clients, but focuses on the potential of the venues to enable the Firm to obtain the best possible result for the execution of its client orders on a consistent basis. However, Anchor Bolt UK does take into account the effect of its own fees and commission when choosing a venue for the execution of a particular client order.

Year	< 1 Avg Trade per Year	Broker / Exchange	LEI / MIC	% Vol Total in Class	% Orders Total in Class	% Passive Orders	% Aggressive Orders	% Directed Orders
<b>BROKER TIERING: Equities - Tick size liquidity bands 3 and 4</b>								
2018	N	Merrill Lynch International	EYKN6V0ZCB8VD9IULB80	49.61420	55.48173	50.65868	49.34132	0.00000
2018	N	UBS Securities LLC	T6FIZBDPKLYJKFCRVK44	25.44026	12.69103	0.00000	100.00000	0.00000
2018	N	J.P. Morgan Securities plc	K6QQW1PS1L1O4IQL9C32	14.25228	22.52492	61.35693	38.64307	0.00000
2018	N	Exane SA	969500UP76J52A9OXU27	6.89989	6.84385	84.46602	15.53398	0.00000
2018	N	Morgan Stanley & Co Intl PLC	4PQUHN3JPFGFNF3BB653	3.79336	2.45847	0.00000	100.00000	0.00000
<b>BROKER TIERING: Equities - Tick size liquidity bands 5 and 6</b>								
2018	N	Merrill Lynch International	EYKN6V0ZCB8VD9IULB80	29.18524	33.88910	60.05168	39.94832	0.00000
2018	N	Exane SA	969500UP76J52A9OXU27	25.50313	24.34761	53.27291	46.72709	0.00000
2018	N	Morgan Stanley & Co Intl PLC	4PQUHN3JPFGFNF3BB653	24.85220	19.23360	0.16391	99.83610	0.00000
2018	N	J.P. Morgan Securities plc	K6QQW1PS1L1O4IQL9C32	4.09689	4.23482	46.40199	53.59802	0.00000
2018	N	RBC Europe Limited	TXDSU46SXBWIGJ8G8E98	3.80051	4.57459	88.85911	11.14089	0.00000
<b>EXECUTION VENUES</b>								
2018	Y	Exane BNP Paribas - GB - Systematic Internaliser	EXSE	53.33041	25.00000	0.00000	100.00000	0.00000
2018	Y	Morgan Stanley and Co. International PLC - Systematic Internaliser	MSSI	41.80955	50.00000	0.00000	100.00000	0.00000
2018	Y	Merrill Lynch International - Systematic Internaliser	MLSI	4.86004	25.00000	0.00000	100.00000	0.00000