

RBC Wealth Management

# Best Execution Report

RBC Europe Limited

2020

Grow more than wealth



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**Royal Bank of Canada Europe Limited (RBCEL) is required to summarise and make public on an annual basis its top five execution venues in terms of trading volume for client orders executed in the preceding year and include information on the quality of execution obtained.**

**Please find our 2020 report below.**

RBC Wealth Management executes client orders by accessing trading venues via Direct Market Access (“DMA”) or by passing your order to another person (such as a broker) to execute. Where appropriate this report provides information on orders executed directly on a trading venue and orders which have been passed to a broker to execute.

## **Assessment of execution quality obtained across all products**

During the previous 12 months the processes, systems and controls employed by RBC Wealth Management did not identify any material deficiencies in respect of its execution arrangements and order execution policy and no amendments have been made to its published execution venue or broker lists. During this reporting period, RBC Wealth Management believes it has continued to provide the best possible result for its clients.

## **Execution Monitoring**

RBC Wealth Management have put in place processes, systems and controls to enable it to monitor the effectiveness of its execution arrangements and order execution policy and, where appropriate, to correct any deficiencies. These arrangements include multi asset class trade level execution outcome monitoring, timely execution monitoring and annual reviews of the execution quality provided by the execution venues and brokers, to ensure they continue to provide the best possible result for clients. Where such monitoring or review indicates that a venue or broker prevents RBCEL from delivering the best possible result for its clients, the execution arrangement will be amended with a view to improvement. In accordance with RBCEL’s focus on total consideration in terms of the best possible result for clients, the monitoring of execution arrangements and its order execution policy will be undertaken on a similar basis. RBCEL will however, monitor against the other execution factors where relevant. RBC Wealth Management performs transaction cost analysis on every equity trade it executes or transmits. Utilising a Total Cost Analysis (TCA) tool, transaction monitoring is performed in real time, providing online exception based reporting of trades that fall outside predetermined tolerance levels. The tolerances and benchmarks RBC Wealth Management applies to equity trades are designed with reference to the size, typical bid/ask spread and nature of the equity trades primarily undertaken. The benchmarks employed are: deviation from limit, adjusted arrival price, and limit adjusted interval volume weighted price. RBCEL will also monitor the timeliness of execution arrangements to assist in providing and maintaining best execution. All client orders are monitored on a quarterly basis to ensure that orders received during normal trading hours are routed to a venue or transmitted to a broker within agreed limits. RBCEL also performs transaction cost analysis on all fixed income trades using a TCA tool, performed in real time, providing online exception based reporting of trades that fall outside of predetermined tolerance levels. Trades are monitored for exceptions against relevant benchmark prices derived from peer group information based on previous trades executed in the relevant market. Any exceptions must be validated and then used to monitor performance of execution arrangements, with the production of best execution management. RBC Wealth Management also employs timely execution monitoring consistent with that employed for equities. Where RBC Wealth Management receives client orders for subscription or redemption of units, only one execution venue exists for these instruments, obtaining the best possible result for clients is achieved by transmitting the order to the relevant fund manager or their administrator in time for the next available dealing time/date.

## **Close links, conflicts of interest or common ownership with execution venues**

RBCEL is part of RBC Group and may use the services provided by other RBC Group companies, including (but not limited to) other RBC Europe Limited business units or Royal Bank of Canada (Channel Islands) Limited. Such services may include those concerned with the execution of client orders. RBCEL maintains a policy framework to govern the identification and management of conflicts of interest which may exist between it, its employees, its clients and the wider RBC Group, including RBC’s own employees and clients. This framework consists of an overall Conflicts of Interest Policy, underpinned by various detailed policies to address specific areas of potential conflict arising out of its and RBC’s structure and various lines of business. RBCEL senior management maintain a view of the types of conflicts that might arise across RBCEL and form a view of how conflicts are being managed and controlled. Guidelines and procedures are in place to ensure RBCEL senior management are alerted to newly identified areas of conflict of interest and that there is adequate segregation of duties and sufficient supervision of employees as well as effective information barriers and other measures to ensure that potential areas of conflict are effectively mitigated. If you require further information concerning our Conflicts of Interest Policy or our conflicts management framework, please contact your Relationship Manager.

## **Client Categorisation**

RBCEL provides financial services to both Retail and Professional clients. In respect of Retail client orders, RBCEL will determine the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution; including all expenses incurred by the client which are directly related to the execution of the order such as venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. For these clients RBCEL will always apply the best execution obligation to an order unless specific client instructions restrict its ability to do so. In respect of Professional client orders, whilst in general total consideration may be the most significant factor in executing the order, in certain circumstances, speed, likelihood of execution and settlement, the size and nature of the order and any other considerations may be given precedence over the immediate price and cost consideration where it is determined they are instrumental in delivering the best possible result for the client.

# Equities & Exchange Traded Products

Where RBC Wealth Management executes client orders it does so by utilizing the Exchange memberships of RBCEL, or as RBCEL acting in the role of systematic internaliser, or via the Direct Market Access of Third party brokers. The ultimate execution venue may in some circumstances be determined by that particular brokers smart order routing technology. RBC Wealth management relies on both affiliate (RBC Europe Limited business units) and non-affiliate brokers to provide access to venues. For some orders, for example where we do not have direct electronic access to that market, RBC wealth Management will arrange for another approved broker to execute on our behalf, in these circumstances we are acting as receivers and transmitters of orders.

Typically where RBCEL executes or arranges client orders for Retail clients we will give greater importance to the total cost of the order, the price of the security and the speed of execution. Where we are executing for a Professional client we will likely give a greater importance to size and nature of the order, likelihood of execution and potential Information Leakage.

## Professional clients

1. Total consideration
2. Price
3. Speed of execution
4. Size and nature of the order
5. Likelihood of execution and settlement

## Retail clients

- Price
- Size and nature of the order
- Potential information leakage
- Likelihood of execution and settlement
- Speed of execution

When assessing execution quality for these products we utilize Bloomberg's Transaction Cost Analysis tool (BTCA) for both exception reporting and overall venue performance analysis.

BNP Paribas Securities (Asia) Limited, XCONNECT Trading Ltd, and O'Neil Securities Incorporated, were removed from RBCEL Wealth Management counterparty panel during 2020



# Equities

## Shares & Depository receipts (Liquidity bands 5 and 6) for Retail clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Client Orders where executing on a venue</b>					
Venue: London Stock Exchange ISO MIC: XLON	12.70%	7.27%	20.05%	79.95%	0.01%%
Venue: Turquoise Plato ISO MIC: TRQM	11.31%	3.47%	85.74%	14.26%	0%
Venue: Europe Limited ISO MIC: RBCE	9.27%	0.05%	0%	100%	0%
Venue: CBOE Europe – BXE Periodic ISO MIC: BATP	7.88%	2.20%	0%	100%	0%
Venue: Hong Kong Exchanges and Clearing Ltd ISO MIC: XHKG	7.81%	1.67%	35.15%	64.85%	0%
<b>Client Orders where receiving and transmitting an order to a broker</b>					
Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXHE82	94.49%	85.19%	–	–	0%
Name: O'Neil Securities, Incorporated LEI: 5493002J20FGJRCIXQ20	5.51%	14.81%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

Tick size liquidity bands 5 and 6 (from 2000 trades per day)  
(–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Equities

## Shares & Depository receipts (Liquidity bands 3 and 4) for Retail clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Client Orders where executing on a venue</b>					
Venue: ASX – All Markets ISO MIC: XASX	50.05%	1.43%	0%	100%	0%
Venue: London Stock Exchange–AIM MTF ISO MIC: AIMX	29.58%	4.06%	3.30%	96.70%	0%
Venue: Irish Stock Exchange ISO MIC: XDUB	5.69%	2.14%	29.17%	70.83%	0%
Venue: First North Sweden – SME Growth Market ISO MIC: SSME	3.13%	60.72%	58.44%	41.56%	0%
Venue: Sigma X MTF Auction Book ISO MIC: SGMY	1.91%	0.89%	0%	100%	0%
<b>Client Orders where receiving and transmitting an order to a broker</b>					
Name: Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	100%	100%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)  
(–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Equities

## Shares & Depository receipts (Liquidity bands 1 and 2) for Retail clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Client Orders where executing on a venue</b>					
Venue: RBC Europe Limited ISO MIC: RBCE	42.09%	0.48%	0%	100%	0%
Venue: London Stock Exchange ISO MIC: XLON	25.14%	24.75%	28.43%	71.57%	0%
Venue: CBOE Europe – BXE Periodic ISO MIC: BATP	5.83%	3.38%	0%	100%	0%
Venue: Turquoise Plato ISO MIC: TRQM	5.05%	4.41%	87.05%	12.95%	0%
Venue: CBOE Europe – CXE Dark Order Book ISO MIC: CHID	4.21%	3.91%	88.69%	11.31%	0%
<b>Client Orders where receiving and transmitting an order to a broker</b>					
Name: Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	97.09%	84.62%	–	–	0%
Name: XCONNECT Trading Limited LEI: 2138008NIL42YTU4S857	2.83%	12.82%	–	–	0%
Name: O'Neil Securities, Incorporated LEI: 5493002J20FGJRC1XQ20	0.07%	2.56%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

Securities with an average daily number of transactions of between 0 to 79 trades per day  
(–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Equities

## Shares & Depository receipts (Liquidity bands 5 and 6) for Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Professional clients where executing on a venue</b>					
Venue: London Stock Exchange ISO MIC: XLON	16.27%	12.67%	18.50%	81.50%	0.05%
Venue: Hong Kong Exchanges and Clearing Ltd ISO MIC: XHKG	11.28%	3.11%	63.37%	36.63%	0%
Venue: Turquoise Plato ISO MIC: TRQM	8.37%	5.48%	91.39%	8.61%	0.05%
Venue: RBC Europe Limited ISO MIC: RBCE	8.28%	0.10%	0%	100%	0%
Venue: CBOE Europe – CXE Dark Order Book ISO MIC: CHID	6.46%	5.13%	90.93%	9.07%	0.01%
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	100%	100%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

Tick size liquidity bands 5 and 6 (from 2000 trades per day)  
(–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No



# Equities

## Shares & Depository receipts (Liquidity bands 3 and 4) for Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Professional clients where executing on a venue</b>					
Venue: Athens Exchange Alternative Market ISO MIC: ENAX	20.81%	0.54%	0%	100%	0%
Venue: Euronext Paris ISO MIC: XPAR	9.48%	12.88%	12.64%	87.36%	0%
Venue: Nasdaq – All markets ISO MIC: XNAS	9.44%	14.26%	49.48%	50.52%	0%
Venue: Euronext Amsterdam ISO MIC: XAMS	7.22%	7.50%	26.32%	73.68%	0%
Venue: RBC Europe Limited ISO MIC: RBCE	7.16%	0.10%	0%	100%	0%
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)  
 (–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Equities

## Shares & Depository receipts (Liquidity bands 1 and 2) for Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Professional clients where executing on a venue</b>					
Venue: Hong Kong Exchanges and Clearing Ltd ISO MIC: XHKG	37.43%	36.73%	2.48%	97.52%	0%
Venue: London Stock Exchange ISO MIC: XLON	13.44%	14.73%	8.07%	91.93%	0%
Venue: RBC Europe Limited ISO MIC: RBCE	10.00%	0.03%	0%	100%	0%
Venue: CBOE Europe – BXE Periodic ISO MIC: BATP	8.47%	9.45%	21.93%	78.07%	0%
Venue: Turquoise Plato ISO MIC: TRQM	7.43%	1.30%	12.77%	87.23%	0%
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	95.28%	80.00%	–	–	0%
Name: XCONNECT Trading Limited LEI: 2138008NIL42YTU4S857	4.72%	20.00%	-	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

Securities with an average daily number of transactions of between 0 to 79 trades per day  
(–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Exchange Traded Products

## Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities for Retail clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients where executing on a venue</b>					
Venue: RBC Europe Limited ISO MIC: RBCE	78.31%	25.82%	0%	100%	0%
Venue: London Stock Exchange ISO MIC: XLON	16.21%	33.25%	4.17%	95.83%	0%
Venue: Euronext Amsterdam ISO MIC: XAMS	1.68%	0.44%	0.00%	100%	0%
Venue: CBOE Europe – CXE Order Book ISO MIC: CHIX	1.01%	4.60%	1.91%	98.09%	0%
Venue: NEO Exchange – NEO-L ISO MIC: NEOE	0.62%	0.29%	0%	100%	0%
<b>Retail clients where receiving and transmitting an order to a broker</b>					
Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	100%	100%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

( – ) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Exchange Traded Products

## Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities for Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Professional clients where executing on a venue</b>					
Venue: RBC Europe Limited ISO MIC: RBCE	46.26%	4.87%	0%	100%	0%
London Stock Exchange ISO MIC: XLON	10.69%	5.64%	16.34%	83.66%	0%
Venue: New York Stock Exchange, Inc ISO MIC: XNYS	9.52%	15.48%	12.86%	87.14%	0%
Venue: Hong Kong Exchanges and Clearing Ltd ISO MIC: XHKG	6.83%	0.11%	0%	100%	0%
Venue: Nasdaq All Markets ISO MIC: XNAS	4.27%	9.69%	12.17%	87.83%	0%
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-

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Notification if <1 average trade per business day in the previous year

No

# Debt Instruments & Structured Finance Instruments

Generally for fixed income instruments, price and the likelihood of execution carries a higher weighting than for equities and the choice of on or off exchange depends heavily upon the instrument in question and the size of the transaction. The client's characteristics as either Retail or Professional client may affect the type of products that we can offer, for instance we are only able to accept orders for contingent convertible securities where the client is correctly categorised as a Professional client. RBC Wealth Management will attempt to obtain as many quotes as possible from our counterparty panel in liquid securities, where we deem the price received to be unacceptable or the asset is very illiquid we may utilise agency fixed income brokers to improve our execution quality.

1. Price/spread
2. Size
3. Liquidity
4. Speed
5. Likelihood of execution

Depending on the circumstances associated with the execution of the order, different weights may be given to the different factors, for example:

- For money market instruments which may be more liquid or faster moving, speed would rank higher than size or liquidity, whereas in bonds price and liquidity would rank higher.
- For structured finance we only traded twice hence the use of a single counterparty. This was driven by price and liquidity.
- When assessing execution quality for these product we utilize Bloomberg's Transaction Cost Analysis tool (BTCA) for both exception reporting and overall venue performance analysis.

Oppenheimer Europe Limited was added to RBCEL Wealth Managements counter party panel for the execution of Debt Instruments.



# Debt Instruments

## Bonds

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients</b>					
Name: The Toronto–Dominion Bank LEI: PT3QB789TSUIDF371261	19.68%	11.44%	5.13%	94.87%	0%
Name: RBC Europe Limited LEI: TXDSU46SXBWIGJ8G8E98	14.11%	11.52%	8.28%	91.72%	0%
Name: Bank of Montreal LEI: NQQ6HPCNCCU6TUTQYE16	12.35%	4.54%	1.47%	98.53%	0%
Name: Morgan and Stanley Co. Intl PLC LEI: 4PQUHN3JPFGFNF3BB653	9.86%	18.49%	6.99%	93.01%	0%
Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	8.50%	5.68%	2.56%	97.44%	0%
<b>Professional clients</b>					
Name: JP Morgan Securities PLC LEI: K6Q0W1PS1L1041QL9C32	29.68%	5.81%	33.33%	66.67%	0%
Name: Citigroup Global Markets Ltd LEI: XKZZ2JZF41MRHTR1V493	27.16%	4.19%	23.08%	76.92%	0%
Name: Deutsche Bank A.G LEI: 7LWTFZYICNSX8D621K86	13.30%	1.61%	0%	100%	0%
Name: The Toronto–Dominion Bank LEI: PT3QB789TSUIDF371261	12.04%	27.42%	0%	100%	0%
Name: CIBC World Markets PLC LEI: BVRCO19C4GKNSAXXHE82	6.39%	10.97%	0%	100%	0%

( – ) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

No

# Debt Instruments

## Money Markets

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients</b>					
Name: Morgan and Stanley Co. Intl PLC LEI: 4PQUHN3JPFQFNF3BB653	14.21%	5.39%	0%	100%	0%
Name: Citigroup Global Markets Ltd LEI: XKZZ2JZF41MRHTRIV493	13.81%	8.98%	0%	100%	0%
Name: RBC Europe Limited LEI: TXDSU46SXBWIGJ8G8E98	10.95%	20.36%	0%	100%	0%
Name: BNP Paribas LEI: R0MUWSFPU8MPRO8K5P83	9.76%	7.19%	0%	100%	0%
Name: Mizuho International PLC LEI: 213800HZ54TG54H2KV03	9.65%	4.79%	0%	100%	0%
<b>Professional clients</b>					
Name: Barclays Capital Securities Ltd LEI: K9WDOH4D2PYBSLSOB484	41.12%	25.00%	0%	100%	3.57%
Name: Mizuho International PLC LEI: 213800HZ54TG54H2KV03	30.04%	14.29%	0%	100%	3.57%
Name: JP Morgan Securities PLC LEI: K6Q0W1PS1L1O4IQL9C32	5.89%	10.71%	0%	100%	0%
Name: Deutsche Bank A.G LEI: 7LTFWZYICNSX8D621K86	5.75%	3.57%	0%	100%	0%
Name: Bank of Montreal LEI: NQQ6HPCNCCU6TUTQYE16	3.97%	7.14%	0%	100%	0%

Notification if <1 average trade per business day in the previous year

Yes

( - ) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

# Structured Finance Instruments

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients where executing on a venue</b>					
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
<b>Professional clients where executing on a venue</b>					
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-

(-) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

Yes



# Currency Derivatives

RBC Wealth Management trades only OTC currency Options and FX Forwards. When executing client orders in OTC products (e.g. FX Forwards and Currency Options) RBC Wealth Management will check the fairness of the price proposed to the client by gathering market data used in the estimation of the price of such product and when possible by comparing with similar or comparable products. The Foreign Exchange specialist will check any price offered by RBC Europe Limited or Royal Bank of Canada (Channel Islands) Limited (RBCCI) Treasury Desks against appropriate market data, additionally they will check:

1. Pricing and overall cost of a proposed strategy is compared to other feasible strategies
2. clients are informed clearly that pricing is available only from RBC Capital Markets (RBCEL) or RBCCI;
3. RBC Wealth Management will apply best efforts to verify the price with other counterparties; and RBCEL will notify the client that they are free to approach other potential providers to seek comparative pricing.

The actual choice of either of venues is determined by the presence of an ISDA or not.

Generally speed of Execution and total consideration will receive a higher priority than the other execution factors.

1. Total consideration
2. Speed of Execution
3. Price
4. Size of Trade
5. Likelihood of settlement

There were no changes in the venues and counterparties in 2020.



# Currency Derivatives

## Swaps, forwards, other currency derivatives for Retail & Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients where receiving and transmitting an order to a broker</b>					
Name: RBC (Channel Islands) Ltd LEI: 0LC10XN013FUKQASJB58	100%	100%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: RBC Europe Limited LEI: TXDSU46SXBWIGJ8G8E98	100%	100%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

(–) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

Yes

# Equity Derivatives

RBCEL only execute exchange listed U.S. options, for these client orders we will receive and transmit to our Wealth Management affiliate in the U.S as a single execution venue. Venue choice is limited by the size and volume of our order flow. Typically our execution factors are;

1. Price
2. Size of Trade
3. Speed
4. Likelihood of execution
5. Total consideration

We had no retail or professional client trades in Listed options for 2020.



# Equity Derivatives

## Options and futures admitted to trading on a trading venue for Retail & Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients where receiving and transmitting an order to a broker</b>					
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-
Name: LEI:	-	-	-	-	-

(-) Dash represents data not available for current reporting period for more info please contact your Relationship Manager

Notification if <1 average trade per business day in the previous year

Yes

# Securitized Derivatives

RBC Wealth Management will attempt to obtain pricing from at least one external arranger/provider from our panel of Approved Brokers, in addition to RBC Europe Limited for the same underlying product.

For securitized derivatives, price and size of trade are the primary best execution factors where clients specify RBCCM as issuer, or the size is below the minimum of external issuers RBC Wealth Management may limit the arranger to RBCCM. The Structured Product Specialist will conduct price comparisons on a regular basis for different types of products and in all situations RBC Wealth Management will consistently ensure clients receive the best possible result taking into account the client's specifications.

1. Client specification
2. Price
3. Issuer risk
4. Size and nature of the order
5. Speed of Execution

There were no changes in the venues and counterparties in 2020.



# Securitised Derivatives

## Warrants and certificate derivatives for Retail & Professional clients

Top 5 execution venues or brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>Retail clients where receiving and transmitting an order to a broker</b>					
Name: RBC Europe Limited LEI: TXDSU46SXBWIGJ8G8E98	78.50%	89.70%	–	–	0%
Name: BNP Paribas Arbitrage SNC LEI: 6EWKU0FGVX5QQJHFGT48	13.88%	5.45%	–	–	0%
Name: JP Morgan Securities PLC LEI: K6Q0W1PS1L1041QL9C32	7.62%	4.85%	–	–	0%
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
<b>Professional clients where receiving and transmitting an order to a broker</b>					
Name: RBC Europe Limited LEI: TXDSU46SXBWIGJ8G8E98	53.82%	80.00%	–	–	0%
Name: JP Morgan Securities PLC LEI: K6Q0W1PS1L1041QL9C32	46.18%	20.00%	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–
Name: LEI:	–	–	–	–	–

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Notification if <1 average trade per business day in the previous year

Yes

# Glossary of terms

## **Passive orders**

An order that adds liquidity to the market by resting on an exchange, for example a non-immediately executable limit order.

## **Aggressive order**

An order that removes liquidity from the market by executing directly against an order already residing on a venue, for example an “at market” order.

## **Directed orders**

Where the execution venue is determined by the client and express instruction is given to execute the order on that venue.



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