

10 April 2019

Sumitomo Mitsui Trust Bank, Limited London Branch

Analysis of Client Order Execution

In the previous year, Sumitomo Mitsui Trust Bank, Limited, (London Branch) (“SuMiTBL”) has obtained a sufficient quality of execution on the execution venues chosen for executing client orders, as a result of our monitoring of client order execution. Information of our detailed monitoring for each class of instrument is explained in the following sections.

1. Currency derivatives: (Swaps, forwards and other currency derivatives)

- When executing client orders SuMiTBL takes all sufficient steps to obtain the best possible result for its clients.

In order to achieve the best possible result for client orders SuMiTBL takes into account the total consideration of order execution, which represents the price of the financial instrument and the total cost related to the execution of the client order.

For the purposes of ensuring the best possible result when executing client orders and in the absence of specific client instruction, SuMiTBL takes into account all factors that will deliver the best possible result. When determining the total consideration of a client order, SuMiTBL will consider execution factors including:

1. Speed and likelihood of execution and settlement;
2. The size of and nature of the order;
3. Market impact; and
4. Any other implicit transaction cost may be given precedence over the immediate price and cost consideration where they are crucial in delivering the best possible price COBS 11.2A.4(2).

Sumitomo Mitsui Trust Bank, Limited is a company incorporated in Japan with limited liability and registered at the Tokyo Legal Affairs Bureau (Registration number: 0100-01-146005) and having its head office at 4-1 Marunouchi 1-Chome, Chiyoda-Ku, Tokyo, Japan 100-8233. The London Branch of Sumitomo Mitsui Trust Bank, Limited is registered with the registrar of companies for England and Wales with Branch Number BR000405 and with registered office at 155 Bishopsgate, London, EC2M 3XU.

Sumitomo Mitsui Trust Bank, Limited is authorised and regulated by the Financial Services Agency in Japan. The London Branch of Sumitomo Mitsui Trust Bank, Limited is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.

The relative importance of each of the above factors and criteria will be dependent on the market conditions present at the time of execution of the client order, taking into account the obligation to deliver the best possible result for the client orders.

- SuMiTBL does not have any close links or conflicts of interest, and common ownerships with respect to any external execution venues used.
- SuMiTBL does not have any specific arrangementg with any execution venues regarding payments made or received, discounts, rebates, or non-monetary benefits received.
- During the past year SuMiTBL added FXGO from Bloomberg to its list of execution venues. Bloomberg's FXGO trading platform provides functionality for customers who have a Bloomberg terminal subscription to execute foreign exchange transactions with SuMiTBL.
- With regards to differences in order execution according to client categorization, SuMiTBL only deals with professional clients and does not deal with retail clients.
- Relating to the quality of client order execution, SuMiTBL's risk management department validates the prices at which client orders are executed against the daily market prices through their daily monitoring activities.
- SuMiTBL does not use the output of consolidated tape providers.

2. Interest rates derivatives (Swaps, forwards, and other interest rates derivatives)

- When executing client orders SuMiTBL takes all sufficient steps to obtain the best possible result for its clients.

In order to achieve the best possible result for client orders SuMiTBL takes into account the total consideration of order execution, which represents the price of the financial instrument and the total cost related to the execution of the client order.

For the purposes of ensuring the best possible result when executing client orders and in the absence of specific client instruction, SuMiTBL takes into account all factors that will deliver the best possible result. When determining the total consideration of a client order, SuMiTBL will consider execution factors including:

1. Speed and likelihood of execution and settlement;
2. The size of and nature of the order;
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The relative importance of each of the above factors and criteria will be dependent on the market conditions present at the time of execution of the client order, taking into account the obligation to deliver the best possible result for the client orders.

- SuMiTBL does not have any close links or conflicts of interest, and common ownerships with respect to any external execution venues used.
- SuMiTBL does not have any specific arrangements with any execution venues regarding payments made or received, discounts, rebates, or non-monetary benefits received.
- There has been no change in the list of execution venues listed in SuMiTBL's execution policy in the past year.
- With regards to differences in order execution according to client categorization, SuMiTBL only deals with professional clients and does not deal with retail clients.
- Relating to the quality of client order execution, SuMiTBL's risk management department validates the prices at which client orders are executed against the daily market prices through their daily monitoring activities.
- SuMiTBL does not use the output of consolidated tape providers.