

Invesco Asset Management Limited

Annual Trade Execution Report

SFT's (RTS 28)

Report dated: April 2021

For the period: 1 January 2020 – 31 December 2020

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1. Purpose of this document

This document (this "Report") details the top five venues used for execution by Invesco Asset Management Limited ("IAML") for the 2020 calendar year period covering the applicable classes of financial instruments in Securities Financing Transactions (SFT). This report is a regulatory requirement as part of MiFID II (Markets in Financial Instruments Directive II) where firms are expected to publish:

- a. A summary of the analysis and conclusions drawn from the detailed monitoring of the quality of execution obtained on execution venues (during the previous year).
- b. The top five execution venues in terms of trading volumes for all executed client orders per class of financial instrument (SFT) for the preceding calendar year.

2. What should I expect to see in this report?

This report contains the table as prescribed under MiFID II for the applicable classes of financial instruments IAML has executed client orders for in SFT. These are:

- Repos (Repurchase agreements)

Also contained is a summary of the analysis and conclusions drawn from the monitoring of the quality of execution obtained on execution venues where client orders were executed in the 2020 calendar year for SFT financial instruments. This information is provided as follows:

- **The Execution Factors**

The primary factors generally tend to be a combination of 'counterparty risk', 'diversification' and 'rate of return'. Over the 2020 calendar year, the primary factors have been a combination of 'counterparty risk' and 'rate of return'. With respect to rolling positions, the primary factor is a combination of the 'rate of return' and 'minimising settlement risk'.
- **Close Links**

There are no close links or conflicts of interest with any venue that we currently use for executing orders in this class of instrument.
- **Specific Arrangements**

There are no specific arrangements concerning rebates or non monetary benefits with execution venues used to execute trades for this class of instrument.
- **Change in Execution Venues**

To access liquidity that may be unique to them at any time, the following were added as a new broker in the 2020 calendar year: HSBC Bank plc.
- **Order execution by client categorisation**

With respect to order execution, IAML does not treat clients differently based on client categorisation. All execution decisions are made by the respective IAML trading desk who execute trades in line with the IAML Order Execution Policy.
- **Data and Tool Usage**

IAML currently monitor and review venues used for execution. RTS 27 and 28 data can be analysed to supplement this but does not tend to provide new insights.
- **Consolidated Tape Provider**

Consolidated tape providers were not providing a consolidated tape for this class of financial instrument for the 2020 calendar year. If this becomes available, IAML will review the usefulness of the consolidated tape and will utilise it where it allows IAML to judge the quality of price received from various counterparties and aide in the benchmarking of brokers.

3. Notes and assumptions

- The 'Proportion of volume executed as a percentage of total in that class' is to be interpreted as the percentage of the market value of all orders generated by the firm in that class of financial instrument, for professional clients that were executed with the respective venue / broker.
- The 'Proportion of orders executed as a percentage of total in that class' is to be interpreted as the percentage of the number of portfolio level orders generated by the firm in that class of financial instrument, for professional clients that were executed with the respective venue / broker.

4. Repos

Class of Instrument

Securities Financing Transactions (SFT) – Repurchase agreements

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

Yes

Top 5 Venues ranked in terms of volume

(descending order)

| | Proportion of volume executed as a percentage of total in that class | Proportion of orders executed as percentage of total in that class |
|---|--|--|
| Credit Suisse Securities (Europe) Limited DL6FFRRLF74S01HE2M14 | 61.83 | 58.65 |
| Citigroup Global Markets Inc. XKZZ2JZF41MRHTR1V493 | 16.46 | 20.68 |
| HSBC BANK PLC MP6I5ZYBZEU3UXPYFY54 | 14.02 | 15.19 |
| BARCLAYS CAPITAL SECURITIES LIMITED K9WDOH4D2PYBSLSOB484 | 7.68 | 5.49 |

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