

AustralianSuper (UK) Limited  
2019 Annual Trade Execution Report  
(RTS 28)

For the Period

1 January to 31 December 2019

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# 1 Annual MiFID Report 2019

## 1.1 Introduction

AustralianSuper (UK) Limited in accordance with the requirements of Regulatory Technical Standard 28 (RTS 28) of the MiFID II Regulations and Article 65(5) of the MiFID II Delegated Regulations is required to disclose the execution venues used for each class of MiFID II financial instrument and other specific information on the quality of execution

The content of this report provides a summary for each class of MiFID II financial instrument, the top five execution venues in terms of trading volumes where AustralianSuper (UK) Limited has executed or placed client orders over the course of 2019.

## 1.2 Execution Factors

As outlined in the Order Execution Policy, AustralianSuper (UK) Limited will take all reasonable steps to obtain the best possible result by taking into account various execution factors, including:

- > Price;
- > Order volume;
- > Investment intentions of the portfolio manager raising the order;
- > The counterparty's execution capabilities;
- > Transaction cost or commissions payable on execution;
- > The current liquidity for the relevant instrument;
- > The size and nature of the order (e.g. timeliness, price sensitivity, block trade, etc.);
- > Co-ordination of trades across the entire portfolio;
- > Market impact of the transaction;
- > Responsiveness of the broker or venue;
- > Likelihood of execution and settlement;
- > Ability to retain anonymity in the market (to prevent information leakage). Other matters relevant to the selection of a broker or venue for any transaction.

Best execution applies to all financial instrument types, although "execution factors" are considered and applied as appropriate to different instruments depending on their relative importance. There will be occasions when other factors may be more important or relevant and the Firm may use its judgement and experience to give greater prominence to them.

## 1.3 Trading Commission and Non-Monetary Benefits

AustralianSuper (UK) Limited does not have any close links or common ownerships with any execution venues used to execute client orders.

AustralianSuper (UK) Limited does not receive any payments, discounts, rebates or non-monetary benefits from trading venues. Where AustralianSuper (UK) Limited executes orders on an Execution Venue, it pays all associated venue costs as applicable.

## 1.4 Venue Selection

AustralianSuper (UK) Limited has not made any changes to the venues listed in its Order Execution Policy during the period to 31st December 2019.

## **1.5 Client Categorisation**

AustralianSuper (UK) is authorised and regulated by the Financial Conduct Authority (FCA) to provide regulated products and services to 'Professional' and 'Eligible' clients only.

AustralianSuper (UK) Limited's sole client is AustralianSuper Pty Ltd (AU), a professional client.

## **1.6 Governance**

As outlined in the Order Execution Policy, AustralianSuper (UK) Limited uses a combination of sample analysis and Transaction Cost Analysis to identify any trends or outliers against any relevant benchmarks and expected costs and spreads.

## **1.7 Consolidated Tape Provider**

AustralianSuper (UK) Limited does not use the output of a consolidated tape providers, as outlined under Article 65 of Directive 2014/65/EU.

## 2 2019 Top 5 Execution Venues

### 2.1 Securities Not Traded in 2019

- > Equities – Shares & depository receipts (Band 3 and 4)
- > Equities – Shares & depository receipts (Band 1 and 2)
- > Debt instruments – Bonds
- > Debt instruments – Money markets instruments
- > Interest rates derivatives - Futures and options admitted to trading on a trading venue
- > Interest rates derivatives - Swaps, forwards, and other interest rates derivatives
- > Credit derivatives - Futures and options admitted to trading on a trading venue
- > Credit derivatives - Other credit derivatives
- > Currency derivatives - Futures and options admitted to trading on a trading venue
- > Structured finance instruments
- > Equity derivatives - Swaps and other equity derivatives
- > Securitized derivatives - Warrants and certificate derivatives
- > Securitized derivatives - Other securitized derivatives
- > Commodities derivatives and emission allowance Derivatives - Options and Futures admitted to trading on a trading venue
- > Commodities derivatives and emission allowance Derivatives - Other commodities derivatives and emission allowances derivatives
- > Contracts for difference
- > Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)
- > Emission allowances
- > Other instruments

## 2.2 Equities – Shares & Depository Receipts (Band 5 and 6)

Class of Instrument		Equities – Shares & Depository Receipts/Tick Size liquidity band 5 and 6 (from 200 trades per day)			
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class <sup>1</sup>	Proportion of orders executed as percentage of total in that class <sup>2</sup>	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
LIQUIDNET EUROPE LIMITED 213800ZIRB79BE5XQM68	100	100	NA	NA	0%

<sup>1</sup> Volume of client orders executed on that execution venue expressed as a percentage of total executed volume

<sup>2</sup> Number of client orders executed on that execution venue expressed as a percentage of total executed orders

## 2.3 Currency Derivatives – Swaps, forwards, and other derivatives

Class of Instrument		Currency Derivatives – Swaps, forwards, and other derivatives				
Notification if <1 average trade per business day in the previous year	Y					
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class <sup>1</sup>	Proportion of orders executed as percentage of total in that class <sup>2</sup>	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	
STATE STREET BANK AND TRUST COMPANY 571474TGEMMWANRLN572	99.9	91.67	NA	NA	0%	
MORGAN STANLEY & CO. INTERNATIONAL PLC 4PQUHN3JPFQFNF3BB653	0.1	8.33	NA	NA	0%	

<sup>1</sup> Volume of client orders executed on that execution venue expressed as a percentage of total executed volume

<sup>2</sup> Number of client orders executed on that execution venue expressed as a percentage of total executed orders

## 2.4 Equity Derivatives – Options and Futures admitted on a trading venue

Equity Derivatives – Options and Futures admitted on a trading venue					
<b>Class of Instrument</b>					
Notification if <1 average trade per business day in the previous year	Y				
<b>Top five execution venues ranked in terms of trading volumes (descending order)</b>	Proportion of volume traded as a percentage of total in that class <sup>1</sup>	Proportion of orders executed as percentage of total in that class <sup>2</sup>	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
<b>GOLDMAN SACHS INTERNATIONAL W22LROWP2IHZNBB6K528</b>	100	100	NA	NA	0%

<sup>1</sup> Volume of client orders executed on that execution venue expressed as a percentage of total executed volume

<sup>2</sup> Number of client orders executed on that execution venue expressed as a percentage of total executed orders