



***Investment Technology Group Limited
Best Execution Disclosure 2018
Equity and Equity-Like Instruments***

On an annual basis Investment Technology Group Limited (“ITGL” or the “Firm”) is required under the requirements of Regulatory Technical Standard 28 (“RTS 28”) and Delegated Acts, Article 65 of MiFID II to provide additional disclosures around the execution venues and brokers utilised for each asset class and certain information on the quality of execution.

This report has been prepared by the Firm for the period starting 1 January through 31 December 2018.

- ***Explanation of the importance the Firm gave to the execution factors of price, costs, speed, and likelihood of execution or any other consideration including qualitative factors when making assessments of the quality of execution:***

As specified in the Firm’s Order Execution Policy, ITGL considers the following execution factors: Price, Cost, Speed, Likelihood of execution and Settlement, Size and Nature of order. ITGL execution quality assessment has placed higher importance on Price, but has not limited its review to this factor. When assessing Price, best price available at time of execution, price reversion post-execution across multiple intervals are reviewed. Size of execution is also an important factor as ITGL will seek to trade in Large in Scale in order to reduce price impact and increase spread capture. Other factors such as hit rates and fill rates across venues among other factors are considered as well.

The assessment of execution quality is performed over different time intervals, it is analysed and compared over these time interval in order to monitor for performance changes post changes both market wide and ITGL own adjustments to its execution strategies.

- ***Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders***

ITGL is wholly owned by ITG Inc. Through ITG Inc, ITGL has regional affiliate relationships in Asia Pacific, Canada and the United States. ITGL uses its regional affiliates for execution of orders outside of the EMEA region. ITGL looks to ensure that affiliates provide a global execution capability to ITGL clients including POSIT Alert block crossing, consistent global algorithms and agency high-touch execution. In addition, ITGL requires affiliates to ensure clients have access to the broad market in any stock including access to liquidity in exchanges, alternative trading systems and bank / broker liquidity where relevant. When ITGL accesses venues directly, through affiliate brokers and through third party brokers or dealers ITGL measures the performance of these executions to identify outliers and help ensure appropriate standards of execution which are consistent with our MiFID II order execution policy.

- ***Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received***

ITGL does not have any bespoke arrangement with any execution venues regarding payments made or received, discount or non-monetary benefits.

- ***Explanation of the factors that led to a change in the list of execution venues listed in the Firm’s execution policy, if such a change occurred***

During the period this report covers, ITGL has adjusted its execution strategies interaction with different venues based on performance observed as well as EMEA market landscape changes. For

example, ITGL added Periodic Auction venues as they became live. As part of a regular Best Execution Committee reviews, priority and minimum fill settings have been adjusted. Such adjustments are implemented on regular basis and are reviewed by a designated group of ITGL persons charged with reviewing ITGL's order execution.

- ***Explanation of how order execution differs according to client categorisation, where the Firm treats such category of client differently and where it may affect order execution arrangements***

ITGL does not differentiate between Professional and ECP clients when assessing execution quality. ITGL order execution policy is published [here](#).

- ***Explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client***

ITGL does not provide execution services directly to retail clients.

- ***Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27***

For the purpose of monitoring and measuring execution quality ITGL uses a bespoke execution measurement tools and the proprietary ITGL bespoke research database.

- ***Explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU***

As there isn't a consolidated tape available, ITGL uses a bespoke internal solution which consolidates the market feeds which ITGL Execution Strategies have access to trade on.

ITGL RTS 28 Top 5 Venue Report can be accessed via this [link](#)

This report includes client order flow for all ITGL European client flow regardless of client classification (Professional or Eligible Country Party), all Equity and Equity-Like Instruments and all trading venues and local brokers.

The report differentiates orders executed through the Firm's own membership and orders transmitted to a local broker for execution (RTO).