

Nutmeg's 2017 best execution summary

Quality of execution and top 5 execution venues

Dated 30/04/2018

Introduction

This document provides a summary of best execution for Nutmeg Saving and Investment Ltd, which we'll refer to as Nutmeg from here onwards.

From 3rd January 2018, we're required to publish our top 5 execution venues as part of new EU MiFID II regulations. We're also required to release other information on the quality of execution we've achieved.

This report covers Exchange Traded Funds (ETFs) only. Currently, Nutmeg only trades in ETFs.

We'll be publishing this report in April each year, covering the previous calendar year. The first report is due in April 2018 for trading in the 2017 calendar year.

Background

We have established and implemented policies and procedures that are designed to achieve the best possible results for our clients.

This includes our best execution policy. Our best execution policy makes sure we take all sufficient steps to achieve the best possible results for our customers by taking various relevant execution factors into account for each order.

Execution factors

We take the following execution factors into account. Generally, the total consideration, which is represented by the price and the costs related to execution will be the most important factors considered.

- **Size and nature of the order**
Determining the most relevant execution platform/trading method
- **Likelihood of execution and settlement**
Evaluating which counterparties Nutmeg should engage with
- **Price**
Accepting only the best available price when dealing with multiple counterparties
- **Speed**
Allowing sufficient time for competing quotes from counterparties
- **Cost**
Evaluating cost considerations to give the best possible net outcome
- **Any other relevant considerations**

Conflicts of interests

Nutmeg has no close links, conflicts of interest, or common ownership of any of the venues that it executes on. We also have no links with any of the market participants that we conduct business with.

Specific arrangements

Nutmeg has no specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

Annual review

We review our best execution policy every year. There have been no changes to the execution venues listed in the best execution policy in 2017.

Customer categorisation

Nutmeg only conducts business with retail customers. As a result, no separate order execution arrangements are needed for different customer categories.

Other criteria

Nutmeg takes its aggregation and allocation policy into account when processing customer orders. All customer requests were executed in accordance with that policy, which is set out in our terms and conditions.

Quality of execution

Order execution is monitored pre- and posttrade on an ongoing basis and is subject to sampling, testing and evidencing against best execution factors to ensure the best possible result is achieved. We conduct post-trade analytics every day using inhouse technology, to make sure there is a feedback loop for pre-trade evaluation.

Top 5 execution venues

Our top 5 execution venues are shown in the table below, ranked by trading volume.

Class of instrument	Exchange trade products (Exchange traded funds, exchange traded notes and exchange traded commodities)				
Notification if <1 average trade per business day in the previous year	N				
	Proportion of volume traded as a percentage of the total in that asset class	Proportion of orders executed as a percentage of the total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Jane Street Financial Limited MP6I5ZYZBEU3UXPYFY54	32.95%	7.56%	0%	100%	0%
HSBC Bank Plc MP6I5ZYZBEU3UXPYFY54	18.59%	5.02%	0%	100%	0%
Flow Traders B.V. 549300CLJI9XDH12XV51	9.6%	3.70%	0%	100%	0%
Susquehanna International Securities Limited 635400IAV22ZOU1NFS89	7.7%	1.24%	0%	100%	0%
RBC Europe Limited TXDSU46SXBWIGJ8G8E98	6.18%	3.23%	0%	100%	0%



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To learn more go to nutmeg.com

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