Trade Execution Reporting re RTS-28

2019

1. TOP FIVE COUNTERPARTIES & EXECUTION VENUES PER ASSET CLASS AS REQUIRED UNDER MIFID II

Class of Instrument	Currency Derivatives: Futures and Options Admitted to Trading on a Trading Venue				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	100.00	100.00	0.00	100.00	0.00

Class of Instrument	Currency Derivatives: Swaps, Forwards and Other Currency 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*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. Morgan Markets Limited [5493002SLHKGT77FYU25]	45.36	50.88	0.00	100.00	0.00
HSBC BANK PLC [MP6I5ZYZBEU3UXPYFY54]	35.69	24.72	0.00	100.00	0.00
The Bank of New York Mellon [HPFHU0OQ28E4N0NFVK49]	9.94	7.87	0.00	100.00	0.00
CREDIT SUISSE INTERNATIONAL [E58DKGMJYYYJLN8C3868]	6.79	4.01	0.00	100.00	0.00
COMMONWEALTH BANK OF AUSTRALIA [MSFSBD3QN1GSN7Q6C537]	1.99	0.32	0.00	100.00	0.00

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Class of Instrument	Debt Instruments: Bonds				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	12.91	7.29	0.00	100.00	0.00
Royal Bank of Canada [ES7IP3U3RHIGC71XBU11]	10.13	16.13	0.00	100.00	0.00
HSBC BANK PLC [MP6I5ZYZBEU3UXPYFY54]	6.51	5.69	0.00	100.00	0.00
Deutsche Bank Aktiengesellschaft [7LTWFZYICNSX8D621K86]	6.30	4.22	0.00	100.00	0.00
BNP PARIBAS [R0MUWSFPU8MPRO8K5P83]	5.89	4.89	0.00	100.00	0.00

Class of Instrument	Debt Instruments: Money Markets				
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*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
BARCLAYS BANK PLC [G5GSEF7VJP5I7OUK5573]	80.00	75.00	0.00	100.00	0.00
Citigroup Global Markets Europe Limited [5493004FUULDQTMX0W20] *	20.00	25.00	0.00	100.00	0.00

Class of Instrument	Equities - Shares and Depositary Receipts				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	72.54	76.51	0.00	100.00	0.00
UBS AG [BFM8T61CT2L1QCEMIK50]	16.72	19.88	0.00	100.00	0.00
TD Bank Group [PT3QB789TSUIDF371261]	8.36	1.81	0.00	100.00	0.00
Royal Bank of Canada [ES7IP3U3RHIGC71XBU11]	2.23	0.60	0.00	100.00	0.00
CLSA (UK) [213800VZMAGVIU2IJA72]	0.15	1.20	0.00	100.00	0.00

Class of Instrument	Equities - Shares and Depositary Receipts: Tick size liquidity bands 1 and 2				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	38.40	54.31	0.00	100.00	0.00
UBS AG [BFM8T61CT2L1QCEMIK50]	20.33	16.96	0.00	100.00	0.00
Citigroup Global Markets Europe Limited [5493004FUULDQTMX0W20]	12.19	8.19	0.00	100.00	0.00
CLSA (UK) [213800VZMAGVIU2IJA72]	12.17	9.70	0.00	100.00	0.00
INVESTMENT TECHNOLOGY GROUP LIMITED [213800EEC95PRUCEUP63]	4.28	4.66	0.00	100.00	0.00

Class of Instrument	Equities - Shares and Depositary Receipts: Tick size liquidity bands 3 and 4				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	24.76	31.92	0.00	100.00	0.00
INVESTMENT TECHNOLOGY GROUP LIMITED [213800EEC95PRUCEUP63]	21.24	16.09	0.00	100.00	0.00
Citigroup Global Markets Europe Limited [5493004FUULDQTMX0W20]	11.54	11.55	0.00	100.00	0.00
KEPLER CHEUVREUX [9695005EOZG9X8IRJD84]	9.55	12.94	0.00	100.00	0.00
Royal Bank of Canada [ES7IP3U3RHIGC71XBU11]	8.64	5.83	0.00	100.00	0.00

Class of Instrument	Equities - Shares and Depositary Receipts: Tick size liquidity bands 5 and 6				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	24.90	48.73	0.00	100.00	0.00
Citigroup Global Markets Europe Limited [5493004FUULDQTMX0W20]	19.75	9.71	0.00	100.00	0.00
UBS AG [BFM8T61CT2L1QCEMIK50]	18.44	21.90	0.00	100.00	0.00
Van Lanschot Kempen NV [2O302V7616D3HTVSXO60]	9.19	2.54	0.00	100.00	0.00
INVESTMENT TECHNOLOGY GROUP LIMITED [213800EEC95PRUCEUP63]	7.73	5.19	0.00	100.00	0.00

Class of Instrument	Equity Derivatives: Futures and Options Admitted to Trading on a Trading Venue				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	90.57	51.52	0.00	100.00	0.00
Van Lanschot Kempen NV [2O302V7616D3HTVSXO60]	9.43	48.48	0.00	100.00	0.00

Class of Instrument	Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities)				
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*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
Van Lanschot Kempen NV [2O302V7616D3HTVSXO60]	94.12	94.44	0.00	100.00	0.00
Citigroup Global Markets Europe Limited [5493004FUULDQTMX0W20]	5.88	5.56	0.00	100.00	0.00

Class of Instrument	Interest Rate Derivatives: Futures and Options Admitted to Trading on a Trading Venue				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	99.12	97.20	0.00	100.00	0.00
SOCIETE GENERALE [O2RNE8IBXP4R0TD8PU41]	0.88	2.80	0.00	100.00	0.00

Class of Instrument	Other Instruments				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	*Proportion of volume traded as a percentage of total in that class*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
J.P. MORGAN SECURITIES PLC [K6Q0W1PS1L1O4IQL9C32]	77.43	88.14	0.00	100.00	0.00
UBS AG [BFM8T61CT2L1QCEMIK50]	21.88	10.17	0.00	100.00	0.00
CLSA (UK) [213800VZMAGVIU2IJA72]	0.69	1.69	0.00	100.00	0.00

Class of Instrument	Securitized Derivatives: Warrants and Certificate 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*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*

Class of Instrument	Structured Finance Instruments				
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*	*Proportion of orders executed as percentage of total in that class*	*Percentage of passive orders*	*Percentage of aggresive orders*	*Percentage of directed orders*
Deutsche Bank Aktiengesellschaft [7LTWFZYICNSX8D621K86]	50.71	66.67	0.00	100.00	0.00
MORGAN STANLEY & CO. LLC [9R7GPTSO7KV3UQJZQ078]	49.29	33.33	0.00	100.00	0.00

2. ADDITIONAL INFORMATION

A BEST EXECUTION AT KEMPEN CAPITAL MANAGEMENT N.V.

When executing orders, Kempen Capital Management N.V. (KCM) has a duty to ensure that it obtains the best possible result for its clients; the so called “best execution”.
In the Order Execution Policy, KCM has described how best execution to her professional clients is provided on a consistent basis. In this policy, specific execution factors per type of instrument are captured, including per type which criteria are deemed most important.

The policy is found online.
“compliance Kempen Capital Management”

B CONFLICTS OF INTEREST RELATED TO TRANSACTION EXECUTION

KCM does not receive any remuneration, discount or non-monetary benefit for routing client orders to a particular counterparty which would infringe the requirements on conflicts of interest or inducements.
Moreover, certain services received from counterparties, such as the provision of investment research, are paid by KCM and not using transaction commissions or fees.

Trading with Kempen & Co Securities (affiliated brokers)
Van Lanschot Kempen NV, the parent company of Kempen, is a merchant bank that also operates a securities brokerage department (Kempen & Co Securities N.V.). It is included in our Approved counterparty list and can be used to execute equity trades.
Kempen & Co Securities in 2019 was used as a counterparty in transactions for some equity asset classes.

KCM and affiliated companies operate independently of one another. Organizational and administrative measures have been taken to ensure the separation of businesses, prevent the dissemination of sensitive information and manage potential conflicts of interest. Kempen & Co Securities as a counterparty is judged by the same metrics as other counterparties, and the requirement of best execution always applies.

C SELECTION AND REVIEW OF COUNTERPARTIES

Client transactions are executed only with or through counterparties that meet requirements applied by KCM. An Approved counterparty list is compiled based on counterparty reviews.
KCM continually considers the quality of execution and services provided by counterparties. This is reflected in a semi-annual review process, based on a quantitative and qualitative aspects.
In the review process, KCM considers aspect like:

- The outcomes of a post-trade analysis where we monitor execution prices against industry benchmarks where available and evaluate the trading practises
- The quality and effectiveness of a Counterparty’s execution policy

- Trust, by which we mean: is a counterparty able to maintain the confidentiality of an order and do they know where to expose an order and where not
- The Counterparty's ability to provide the best price and to maximize the opportunity for price improvement
- Ability of our counterparty to commit their capital to our trades and/or obtain natural liquidity to minimize market impact
- Clearance and settlement capabilities
- Commission rates and other costs
- The Counterparty's ability to provide favourable access to 'new issues'
- access to specific markets (e.g. Taiwan, Korea)
- Hit ratio's for Fixed Income transactions
- Quality and Quantity of information flow
- Offering of a program trading platform
- Any other relevant factor

The results of 2019 have so far not led to changes in the Order Execution Policy.

D MONITORING AND POLICY REVIEW

One key aspect of best execution is that best execution focusses on the best possible overall results on a consistent basis, and not just on best price for an individual trade. KCM monitors trade prices against industry benchmarks where available, with the assistance of exception reports to determine if best execution has been achieved. We analyze our execution using the independent third party vendor Bloomberg Transaction Cost Analysis (BTCA) solution, across multiple asset classes, to monitor our order execution policy.

We will review our execution arrangements and policy at least annually, and additionally where there is a material change to our execution arrangements to deliver to its clients the best possible result in the execution of orders.