



AEW GLOBAL ADVISORS (EUROPE) LTD

ANNUAL BEST EXECUTION DISCLOSURE | 2018

The information below is intended to provide the annual disclosure requirement of AEW Global Advisors (Europe) Ltd. (AEWGAE) related to the quality of execution in line with the requirement of Regulatory Technical Standard 28 of the MiFID II regulation.

AEWGAE has a Best Execution Committee which meets on a quarterly basis and is attended by senior investment, compliance and risk employees. The Best Execution Committee monitors the areas of trading, brokerage transactions, and reviews the due diligence of brokers and best execution.

AEWGAE receives a trade cost analysis study that is performed by an independent third party consultant on a quarterly basis that shows where AEWGAE ranks in terms of commission costs, execution costs and a combination of the two. This report compares AEWGAE's trading to a broad range of competitors and details where AEWGAE ranks accordingly. The report provided by the consultant is reviewed quarterly by the Best Execution Committee.

On a day-to-day basis, the Portfolio Manager, Co-Portfolio Manager and Trader are responsible for monitoring whether brokers to whom brokerage transactions are allocated are providing the best execution of trades allocated to such firms based on market conditions, comparable trades executed by other brokers and the experience of the Portfolio Manager, Co-Portfolio Manager and Trader. Brokerage transactions generally would not be allocated to a broker who has failed to provide best execution of a prior trade until the responsible Portfolio Manager or Co-Portfolio Manager and Trader have addressed the matter with the broker and are satisfied that corrective measures have been taken.

In selecting a broker for a particular trade, the objective is to achieve the best execution for the client. In the absence of any specific client instructions, AEWGAE will take all sufficient steps to obtain the best possible result for its clients taking into account a range of execution factors, including:

- Price of the financial instrument;
- Costs related to execution;
- Speed and likelihood of execution;
- Size and nature of the order;
- Counterparty risk and settlement; and
- Any other applicable factor(s) relevant to the execution of the order.

The obligation to take all sufficient steps to obtain best execution does not require AEWGAE to achieve the best possible result for every single order; instead, AEWGAE is required to maintain a process that looks to obtain the best possible result on a consistent basis. The Trader will report any events that may occur with a broker that could affect the broker's ability to achieve the objectives stated above to the Best Execution Committee on a quarterly basis or sooner as needed.

Please note that AEWGAE is not classed as an execution venue or Systematic Internaliser (SI) and AEWGAE has no affiliated broker dealer entities. AEWGAE will normally seek to ensure client orders are executed through approved counterparties who have membership of main exchanges. Please note, as a discretionary asset manager, AEWGAE will not invite clients to select an execution venue or counterparty.

Equities

Class of Instrument Equities (i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)

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

Top five executing brokers 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 aggressive orders	Percentage of directed orders
Morgan Stanley	44.39%	43.64%	100.0%	0.00%	0.00%
JP Morgan	19.54%	27.33%	100.0%	0.00%	0.00%
Liquidnet	13.36%	6.57%	100.0%	0.00%	0.00%
Kempen & Co	6.22%	3.60%	100.0%	0.00%	0.00%
Green Street	6.11%	2.97%	100.0%	0.00%	0.00%

Class of Instrument Equities (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)

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

Top five executing brokers 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 aggressive orders	Percentage of directed orders
Morgan Stanley	20.81%	19.19%	100.0%	0.00%	0.00%
Kempen & Co	20.80%	22.97%	100.0%	0.00%	0.00%
Cantor Fitzgerald	18.18%	14.99%	100.0%	0.00%	0.00%
Liquidnet	15.87%	9.38%	100.0%	0.00%	0.00%
Green Street	6.41%	7.56%	100.0%	0.00%	0.00%

Class of Instrument Equities (iii) Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)

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

Top five executing brokers 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 aggressive orders	Percentage of directed orders
Kempen & Co	47.30%	58.82%	100.0%	0.00%	0.00%
Jefferies Group	45.07%	5.88%	100.0%	0.00%	0.00%
Cantor Fitzgerald	4.59%	17.65%	100.0%	0.00%	0.00%
UBS	3.05%	17.65%	100.0%	0.00%	0.00%
N/A	0.00%	0.00%	0.00%	0.00%	0.00%

Equities Execution Factors: Price and cost will typically be the most significant factors; however other execution factors such as size of order, certainty of completion and speed of execution will also be considered and may, in some instances, take priority.