



Wells Fargo Securities International Limited (WFSIL)

RTS 28: Top Five Execution Venue Reporting

Note: Due to the WFSIL business model, WFSIL has excluded RTS 28, Table 1 and 3 from each class of financial instrument to be reported. WFSIL does not serve retail clients in-region, thus reporting for Table 1 is not applicable. Additionally, WFSIL does not conduct any Securities Financing Transaction (SFT) activity with professional clients in circumstances that it owes a best execution obligation to such clients. Accordingly, Annex II, Table 3 of RTS 28 shall not be populated.

(a) Equities – Shares & Depositary Receipts

- (i) Tick size liquidity bands 5 and 6 (from >2000 trades per day)**
- (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)**
- (iii) Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)**

WFSIL does not have transactions that fit the tick size liquidity bands that are appropriate for this asset class. However please see asset class (m) below for transactions in US shares.

(b) Debt instruments

(i) Bonds

Debt Instruments (Bonds) Summary

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

Price is prioritized unless the customer instructs otherwise, followed by size, completion of order, and any instructions stipulated by the client.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

For debt instruments, WFSIL only uses itself as an execution venue.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

Not Applicable.

- (d) an 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

No such changes of venue occurred.

- (e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements

Best Execution is only provided to Professional Clients (PC).

- (f) an 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

Not Applicable – Wells Fargo Securities International Limited does not transact with clients classified as Retail Clients.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27]

In 2017, the firm did not use a specific tool or the services of a third party data provider to assess execution quality. The firm is reviewing its approach for 2018 data.

- (h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

Not Applicable.

(ii) Money Markets Instruments

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(c) Interest rates derivatives

(i) Futures and Options admitted to trading on a trading venue

Please see asset class (m) below for additional details.

(ii) Swaps, Forwards, and Other Interest Rates Derivatives

Interest Rate Derivatives (Swaps, Forwards, and other interest rate derivatives) Summary

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

Price is prioritized unless the customer instructs otherwise, followed by size, completion of order, and any instructions stipulated by the client.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

For swaps, WFSIL only uses itself as an execution venue.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

Not Applicable.

- (d) an 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

No such changes occurred.

- (e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements

Best Execution is only provided to Professional Clients (PC).

- (f) an 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

Not Applicable – Wells Fargo Securities International Limited does not transact with clients classified as Retail Clients.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27]

In 2017, the firm did not use a specific tool or the services of a third party data provider to assess execution quality. The firm is reviewing its approach for 2018 data.

- (h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

Not Applicable.

(d) Credit derivatives

(i) Futures and options admitted to trading on a trading venue

(ii) Other credit derivatives

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(e) Currency derivatives

(i) Futures and Options admitted to trading on a trading venue

Please see asset class (m) below for additional details.

(ii) Swaps, forwards, and other currency derivatives

Currency Derivatives (Swaps and Forwards) Summary

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

Absent any instruction to the contrary, WFSIL assigned the greatest weight to all in price for all product classes.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

WFSIL uses only itself as an execution venue.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort.

- (d) an 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

No such changes occurred.

- (e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements

Best Execution is only provided to Professional Clients (PC).

- (f) an 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

Not Applicable – Wells Fargo Securities International Limited does not transact with clients classified as Retail Clients.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27]

In 2017, the firm did not use a specific tool or the services of a third party data provider to assess execution quality. The firm is reviewing its approach for 2018 data.

- (h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

Not Applicable.

(f) Structured finance instruments

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(g) Equity Derivatives

(i) Options and Futures admitted to trading on a trading venue

Please see asset class (m) below for additional details.

(ii) Swaps and Other Equity Derivatives

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(h) Securitized Derivatives

(i) Warrants and Certificate Derivatives

(ii) Other securitized derivatives

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(i) Commodities derivatives and emission allowances Derivatives

(i) Options and Futures admitted to trading on a trading venue

(ii) Other commodities derivatives and emission allowances derivatives

Please see asset class (m) below for additional details.

(j) Contracts for difference

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(k) Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(l) Emission allowances

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

(m) Other Instruments

(i) Equities – Shares and Depositary Receipts Traded in the US

The below represents United States equities listed on United States exchanges transacted on behalf of WFSIL clients.

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution

Price is prioritized unless the customer instructs otherwise, followed by size, completion of order, and any instructions stipulated by the client.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

WFSIL does not have any close links, conflicts or common ownership with an execution venue.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort. However, client orders are placed onto various US national markets via a USA affiliate who routes client orders to national securities exchanges, alternative trading systems, including electronic communications networks and other market centers (including other broker-dealers), some of which provide the affiliate with rebates for adding liquidity and charges for removing liquidity.

- (d) an 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

No such changes occurred.

- (e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements

Best Execution is only provided to Professional Clients (PC).

- (f) an 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

Not Applicable – Wells Fargo Securities International Limited does not transact with clients classified as Retail Clients.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27]

In 2017, the firm did not use a specific tool or the services of a third party data provider to assess execution quality. The firm is reviewing its approach for 2018 data.

- (h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

Not Applicable.

(ii) Derivatives (Futures and Options)

The below summary represents the different classes of Derivatives (Interest Rates, Currency, Equity, and Commodities) transacted on behalf of WFSIL clients.

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

Various factors relevant to the execution of an order are taken into account including market price, the speed and likelihood of execution, market liquidity, order size and its potential impact on the market, the potential to improve upon the current market price, underlying and related markets' price action, and any other relevant factors at the time.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

WFSIL uses a US affiliate to execute orders on US exchanges except for options on US Equities.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort.

(d) an 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

No such changes occurred.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements

Best Execution is only provided to Professional Clients (PC).

(f) an 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

Not Applicable – Wells Fargo Securities International Limited does not transact with clients classified as Retail Clients.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27]

In 2017, the firm did not use a specific tool or the services of a third party data provider to assess execution quality. The firm is reviewing its approach for 2018 data.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

Not Applicable.