



SKILLING LIMITED

Regulated by the Cyprus Securities and Exchange Commission License no. 357/18

EXECUTION QUALITY SUMMARY REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

REGULATORY TECHNICAL STANDARD 28 REPORT

June 2021

OVERVIEW

This Execution Quality Summary Report is a summary (the “Report”) of the analysis and conclusions Skilling Limited (herein as the “Company”, “We”, “Us”, “Our”), an investment firm authorised and regulated by the Cyprus Securities and Exchange Commission under license number 357/18, drew from the monitoring of the quality of execution obtained on the execution venues where the Company executed all client orders. The Report and RTS 28 have been prepared by the Company pursuant to Article 27 of the Directive 2014/65/EU (MiFID II), as adopted by the European Commission under the Commission Delegated Regulation (EU) 2017/576 (the “RTS 28”).

The Report and RTS 28 intends to provide information to investors (herein as the “Clients or Potential Clients”) on how the Company execute orders and what factors may influence the order execution behaviour and to assist them to evaluate the quality of the Company’s execution practices through the publication of information about the execution venues where the Company executed all client orders during the year 2020 (herein as the “year under review”). This Report is solely for own use and cannot be published elsewhere without the written consent of the Company.

Throughout the year 2020, all Client orders were transmitted directly to Skilling Limited, who is the sole counterparty of its Clients.

This Report will remain on the Company’s website for a period of two (2) years at least post its publication.

KEY DEFINITIONS UNDER RTS 28:

“Passive Order” means an order entered into the order book that provided liquidity;

“Aggressive Order” means an order entered into the order book that took liquidity;

“Directed Order” means an order where a specific execution venue was specified by the client prior to the execution of the order;

1. EXECUTION VENUES REPORT

1.1. The RTS 28 table below refers to the top five execution venues in terms of trading volumes used by the Company for executing the orders of Retail clients.

1.2. This information presents a summary of the Company’s top five execution venues regarding the financial instrument of Contracts for difference (CFDs) for the year 2020:

Please note that the following figures relate to flow from “Elective Professional Clients” and “Retail Clients”.

Class Of Instrument	Contracts for Difference	
Notification if <1 average trade per business day in the previous year	N	
Top five execution 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
Skilling Limited (LEI: 549300E0FB81PAUXWV89)	100%	100%

1.3. Please note the above information does not reflect the reception and transmission of orders by Skilling's clients who have been categorised as "Eligible Counterparties".

2. RELATIVE IMPORTANCE ON EXECUTION FACTORS DURING THE YEAR UNDER REVIEW

2.1. At Skilling, we take all relevant steps to obtain, when executing orders, the best possible result for its clients. An explanation of what was the relative importance of the execution factors, or any other consideration including qualitative factors that the Company considered when assessing the quality of execution, can be found in the below table.

The following Execution Factors are considered in order of importance:

Factor	Importance Level	Remarks
Price	High	Undue emphasis on the quality and level of the price data we receive from liquidity providers or other sources so as to offer competitive price/ quotes.
Costs	High	Adequate control measure applied so that costs of the tradable product/ instrument are kept relatively low and competitive. Disclosure of costs and associated charges are available on our website.
Speed of Execution	High	Execution speed and price improvement are critical factors. We constantly monitor this factor to ensure we maintain our high execution standards.
Likelihood of Execution	High	Market conditions for the relevant financial instrument might result in prioritising the likelihood of execution. As a result, we may reject an order but mostly aim to execute all orders of our clients, at a greater extent.
Likelihood of Settlement	Medium	Settlement of all transactions upon execution of trades without delay.
Size of order	Medium	Placing orders is determined by the amount of available balance/margin held in a clients' trading account. A unit measures the transaction amount and differs for each CFD instrument.
Market Impact	Medium	Some factors may rapidly affect the price of the underlying instruments/products which are used to quote price. Execution of orders are delivered to the best possible result for Skilling's Clients.

2.2. We assign equal importance to price, costs, speed, likelihood of execution and other factors when assessing the quality of our execution/liquidity venues.

2.3. **Other Execution Factors** include currency valuation of each instrument relative to the client's base currency, minimum size of orders for the various instruments offered, market opening and closing times for each instrument relative to Skilling's working hours. However, none of these other factors took precedence over the execution factors listed in this section.

For more information, please visit our website - **Order Execution Policy**.

3. RECEPTION AND TRANSMISSION OF ORDERS TOP 5 AFFILIATED LIQUIDITY PROVIDERS

3.1. We are increasingly improving our quality of execution of client orders by adding multiple third-party liquidity providers with whom we have signed service agreements. We deem it more useful to disclose to

clients our top underlying third-party liquidity providers with whom we have such appropriate legal arrangements in place:

Counterparty	Supervisory Authority	Legal Entity Identifier (LEI)
LMAX Broker Limited	Financial Conduct Authority (FCA - UK)	213800FIDYGIQ9SJK78
GAIN Capital UK Limited	Financial Conduct Authority (FCA - UK)	549300NKG8WR6UWSZS80
Broctagon Prime Limited	Cyprus Securities and Exchange Commission (CySEC)	213800AYVP83GMTLSE33

4. DATA ON PASSIVE AND AGGRESSIVE ORDERS

4.1. At Skilling, we do not execute passive and/or aggressive orders, or receive no further instruction to execute order in a fashion that is either passive or aggressive within the meaning of the definition provided under RTS 28.

4.2. Our portfolio management services are extended through CopyTrading Services whereby customers' orders are executed directly on an execution venue then Article 27 of MiFID II and RTS 28 apply, and do not fall within the scope of passive and aggressive orders for the purpose of this report.

5. COMMON OWNERSHIP AND CONFLICT OF INTEREST

5.1. In the year 2020, there were no close links, conflicts of interests, and common ownerships with respect to any execution venues and/or affiliated liquidity providers used to execute clients' orders.

5.2. We did not identify any conflict of interest associated with the clients' orders or/ trades that were transmitted directly to its affiliated liquidity providers identified in the above section 2.

5.3. Any conflict of interest that may arise between the Skilling's own interests as an execution venue, its affiliated liquidity providers and its clients' interests will be managed in accordance with the Company's Conflict of Interests Policy (if any).

6. PAYMENTS OR NON-MONETARY BENEFITS

6.1. It is our Company's policy not to receive any payments, discounts, rebates or non-monetary benefits (i.e. inducements) from third party liquidity providers, hedging venues and price providers that are of a scale and nature which could impair its provision of services to its clients.

6.2. In this respect, we did not have in place any specific arrangements to report about any third party liquidity providers, hedging venues and price providers in relation to payments made or received, rebates, discounts or non-monetary benefits received.

7. CHANGE OF EXECUTION VENUES DURING THE YEAR UNDER REVIEW

7.1. The main best execution factors to consider when a change occurs refer to the speed of connectivity, speed of trading, cost of execution among other factors.

7.2. The Company notes that during the year under review, did not change the list of execution venues thus the above disclosure is not relevant for the year under review.

8. CLIENT CATEGORISATION WITH RESPECT TO EXECUTION ARRANGEMENTS

8.1. At Skilling, we categorised as “Retail clients” and “Elective Professional Clients” upon the client’s requests. The differences in the order execution arrangements as a result of the client categorisation.

9. DATA AND TOOL USED REGARDING QUALITY OF EXECUTION

9.1. During the year 2020, the Company performed daily quality checks on existing price feed (or market data) and drew comparisons between liquidity providers and price providers to ensure the consistency of the execution quality on a continuous and live basis. Notably, we checked the quality of the execution against the price feed obtained from Bloomberg L.P, Gain Capital UK Limited, LMAX Global, Broctagon Prime Limited and other reputable investment firms.

9.2. The Company monitors the quality of execution of client orders through various data and tools. The aim is to ensure that clients are provided with the best possible results for their order. To this end, execution venues are required to publish a range of information on execution quality on a quarterly basis. The RTS 27 Reports covering the reporting period that is representative of the execution data on Q1, Q2, Q3 and Q 4 of the year 2020 have been published on our website.

9.3. All the necessary information and trading systems are updated, retrieved and used in a timely and effective manner to ensure that best execution is always provided to all clients.

10. SUMMARY OF THE ANALYSIS AND CONCLUSIONS THEY DRAW FROM THEIR DETAILED MONITORING OF EXECUTION QUALITY IN RELATION TO EACH CLASS OF FINANCIAL INSTRUMENT

10.1. To a large extent, we take highest priority to the total consideration, factoring in the size, nature and type of characteristics of the order when representing the price of the product and the costs relating to execution. The Best Execution Approach is the same for all types of financial instrument in respect of which we owe a duty of best execution.

10.2. The execution factors for Best Execution purposes differed depending on the client’s MIFID II classification. We do not accept Eligible counterparties (ECPs) as clients.

10.3. Data reported reflects Retail clients and Elective professional clients only as no other client categorization was granted in the year 2020`. Unlike Elective professional client, we execute Retail clients’ orders at the best possible result as determined in terms of the total consideration, being the price of the financial instrument in concert with the costs related to execution, including all expenses incurred by the client that are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

11. IMPORTANT REPORT NOTICE

11.1. Disclosure regarding other criteria that 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: The Company’s Best Execution criteria related to Retail clients’ orders are determined on the basis of the total consideration paid to or by the client.

11.2. Disclosure around the use of data from a Consolidated Tape Provider (“CTP”) established under Article 65 of Directive 2014/65/EU, is not applicable to us for the year 2020 due to the absence of the CTP data.

11.3. Regulatory Technical Standard 28 (RTS 28) Report covers customers’ data related to all closed trades executed during the reporting period 01 January to 31 December 2020, and open orders as of the last trading day of the year 2020.

11.4. The Company used notional value to generate proportion by percentage for class of financial instruments as reflected in Section 1 above, in the RTS 28 summary table.

11.5. The Class of Financial Instrument offered by us is mainly Contract for Difference (CFDs) on commodities, equity, indices, cryptocurrencies, and forex.

12. CONCLUSION

12.1. In conclusion, we took all reasonable steps in order to deliver best execution and act in the best interest of our clients, taking into account the requirements of the Market in Financial Instruments Directive II (“MIFID II”), and ESMA35-43-349 Question & Answer concerning investor protection under MiFID II. Skilling maintains written procedures, monitoring routines as well as Order Execution Policy, which are designed to achieve the best possible result for its Clients.

12.2. For your benefit and protection, kindly ensure you read this Report and the Order Execution Policy and any additional documentation available to you via our official website under legal documents.