

**ORDER AND BEST EXECUTION POLICY**

Version	Owner	Date
V5	Sander Bake	July 2024
V4	Sander Bake	February 2024
V3	Sander Bake	June 2022
V2	Sander Bake	February 2021
V1	Sander Bake	November 2020

## **ORDER AND BEST EXECUTION POLICY**

**Summary:** This document represents Global Investment Strategy UK Limited (GIS) – FCA number 437558 – Order and Best Execution Policy.

**Effective:** July 2024

### **1. Introduction**

GIS is authorised and regulated by the Financial Conduct Authority (FCA) and is entered in the FCA's Register under number 437558 and is registered in England and Wales with number 04576299. GIS is also a member of the London Stock Exchange.

The Markets in Financial Instruments Directive II (MiFID II) came into effect on 3 January 2018. The purpose of this directive is to offer greater protection for investors and inject further transparency into all asset classes.

GIS is under an obligation to take all sufficient steps to obtain the best possible results for our clients.

The following Order and Best Execution Policy (OEP) has been designed to reflect all sufficient steps taken by GIS to consistently obtain the best possible results for our clients and to ensure that our arrangements and controls work sufficiently throughout the stages of the execution process.

### **2. Scope**

Our execution policy is applicable to GIS's Retail Clients, Professional Clients and Eligible Counterparties as determined in accordance with the client classification rules of the FCA.

GIS's execution policy is applicable to clients and where we have received an order:

- to execute on their behalf in respect of financial instruments covered by the Markets in Financial Instruments Directive; or
- which we pass on (i.e. transmit) at our discretion to another broker or dealer (third party) for execution.

#### **This duty of best execution only applies when executing orders "on a client's behalf".**

We will be executing orders "on a client's behalf" where the client legitimately relies on us to protect his or her interests in relation to the pricing or other aspects of the transaction that may be affected by how we execute the order.

For example, this will be the case when we:

- execute an order by dealing as agent;
- execute an order by dealing as matched principal on behalf of a client; and
- "work" an order on a client's behalf.

This policy only applies to transactions in financial instruments falling within the scope of MiFID II. It will therefore cover cash equities and equity-like shares, depositary receipts, debt instruments, funds and derivatives in interest rates, currencies, equity and indices.

### **3. Permissions**

GIS is authorised and regulated by the FCA to carry out the following activities:

- dealing in investments as agent;
- dealing in investments as principal (matched principal limitation); and
- making arrangements with a view to transactions in investments.

### **4. Financial Instruments**

The full list of MiFID Directive Financial Instruments that GIS is permitted for is:  
certificates representing certain security;

- commodity future;
- commodity option and option on commodity future;
- contract for differences (excluding a spread bet and a rolling spot forex contract);
- debenture;
- future (excluding a commodity future and a rolling spot forex contract);
- government and public security;
- option (excluding a commodity option and an option on a commodity future);
- rights to or interests in investments (contractually based investments);
- rights to or interests in investments (security);
- rolling spot forex contract;
- share;
- spread bet;
- unit; and
- warrant.

## 5. Principles and Rules

GIS adheres to the below principles for business which are the fundamental obligations set out in the FCA Handbook -

Principles and Rules	Requirements
Principle 1	A firm must conduct business with integrity.
Principle 2	A firm must conduct business with due skill, care and diligence.
Principle 3	A firm must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems.
Principle 4	A firm must maintain adequate financial resources.
Principle 5	A firm must observe proper standards of market conduct.
Principle 6	A firm must pay due regard to the interests of its customers and treat them fairly.
Principle 7	A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading.
Principle 8	A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.
Principle 9	A firm must take reasonable care to ensure the suitability of its advice and discretionary decisions for any customer who is entitled to rely upon its judgment.
Principle 10	A firm must arrange adequate protection for clients' assets when it is responsible for them.
Principle 11	A firm must deal with its regulators in an open and cooperative way, and must disclose to the FCA appropriately anything relating to the firm of which that regulator would reasonably expect notice.

## 6. Order and Best Execution

The best execution requirements set out in MiFID have been retained and for the most part unaltered in MiFID II.

There have however been certain key additions to these guidelines which includes increased transparency over investment firms' execution processes and the quality assurance of such transactions.

### 6.1 Execution Factors

Under Article 27 of the MiFID II Directive – GIS must consider the following factors when taking all sufficient steps to obtain the best possible result for our clients:

- price;
- costs;
- speed and reliability of connectivity;
- likelihood of execution and settlement;
- size and level of liquidity available;
- nature; or
- any other consideration relevant to the execution of the order.

These factors have previously been reviewed to obtain best execution under MiFID I. Under MiFID II this requirement has been strengthened.

GIS has completed an execution reassessment to bring into effect stronger systems and controls to raise the bar from taking 'all reasonable steps' to taking 'all sufficient steps' to achieve best execution.

### 6.2 Execution Criteria

In order to determine the relative importance of the above-mentioned factors, GIS will also consider the below characteristics:

- the characteristics of the client (whether the order is for a retail client, professional client or eligible counterparty);
- the characteristics of the client order (whether, for example, a securities financing transaction is involved);
- characteristics of the financial instruments involved;
- characteristics of the execution venues being considered;
- the market impact of the transaction; and
- the responsiveness of the broker and/or the execution venue.

### 6.3 Importance of Execution Factors

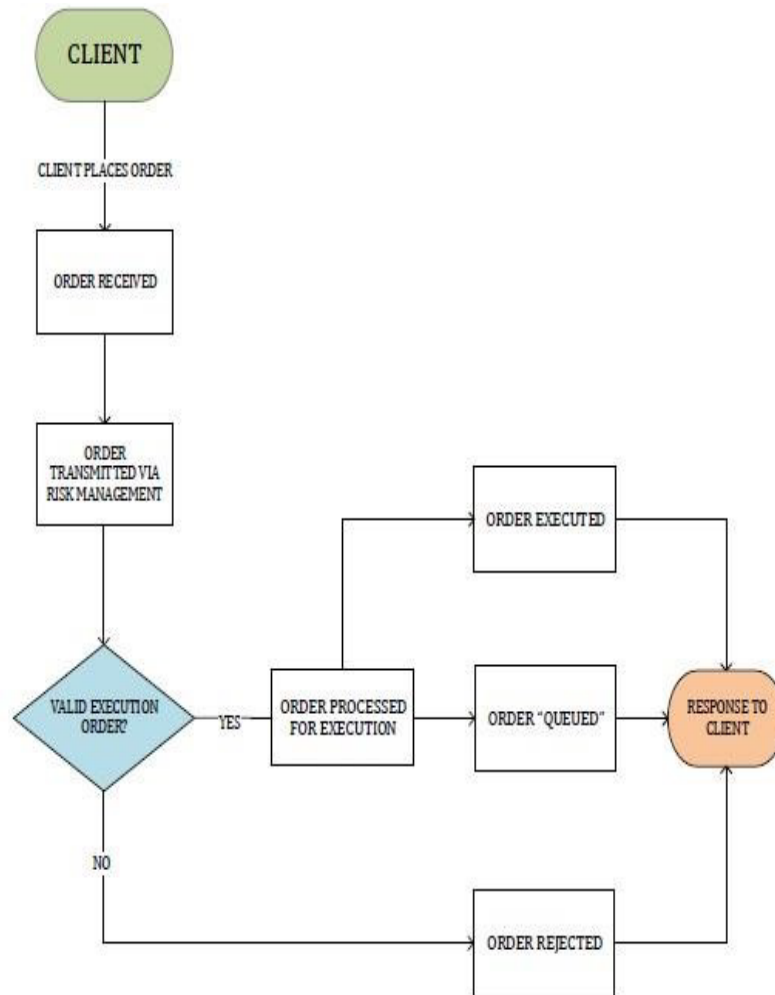
The following table reflects the list of Execution Factors and the relative importance of each following the firm's review:

Relative Importance	Execution Factor
1	Price
2	Size of order and level of liquidity
3	Speed and reliability of connectivity
4	Cost of execution
5	Settlement

Within these factors the price will generally be the most important of the Execution Factors. However, it is important to note that in certain circumstances, as in the case for (i) less liquid securities or financial instruments, (ii) volatile market conditions, and (iii) other detrimental factors, the importance of the above execution factors may be reassessed and afforded more weight to achieve the best outcome for our clients.

Please note: Any specific instructions from a client may prevent GIS from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

### 6.4 Execution Process



### **6.5 Third Party Brokers**

In certain scenarios GIS will pass an order to a third-party Broker to execute. We will typically do so in order to process a client order on an Execution Venue that we do not have access to directly. When selecting a third-party Broker GIS will take adequate steps to ensure that the Broker has the necessary experience, handling procedures, and arrangements in place to allow GIS to comply with our OEP. The above-mentioned execution factors and criteria will in addition be considered to ensure the best outcome for our clients.

### **6.6 Exceptional Market Conditions**

In circumstances where stressed market conditions or exceptional trading periods exist, defined by significant short-term changes in the price and volume, which may impact client executions, GIS will inform our clients of these conditions and the impact this may have on our order handling procedures.

### **6.7 Comparable Order Handling**

Clients' orders which are deemed as comparable orders must be executed sequentially and promptly.

### **6.8 Record of Best Execution**

All client orders, whether or not executed, are accurately and promptly recorded by the firm and maintained on internal and external data storage.

### **6.9 Publication of Unexecuted Limit Orders**

The FCA requires unexecuted client limit orders to be made public immediately unless the client expressly instructs otherwise. By consenting to this policy, you are expressly instructing GIS not to make such orders public unless we believe that by doing so, it will be to your advantage.

GIS is required to gain express consent prior to executing an order in an instrument admitted to trading on a Regulated Market, Systematic Internaliser, MTF or OTF outside of such a Regulated Market, Systematic Internaliser, MTF or OTF.

## **7. Reports and Disclosures**

According to the MiFID II directive (RTS28), investment firms are required to summarise and make public on their website annually (in machine-readable format), for each class of financial instrument, the top five execution venues used in terms of:

- trading volumes;
- the provision of information on the quality of execution obtained.

GIS will disclose on an annual basis, a report which lists the top five Execution Venues and Brokers on whom we place most reliance divided into components per Financial Instrument and by client type.



#### **8. Governance, Monitoring and Review**

This policy document is reviewed and managed by GIS management as a minimum annually or more frequently in case of addendums or changes in business structure.

Updates to this policy document will be published on our website at <https://www.gisukltd.com/legal-and-regulatory>

#### **9. List of current Execution Venues and Third-Party Brokers**

Please see Appendix 1 for a list of primary brokers including all those used for Direct Market Access. A complete list can be requested from [trading@gisukltd.com](mailto:trading@gisukltd.com).

Please see Appendix 2 for a complete list of markets that GIS can access.

Please note that GIS offers access to regulated markets only.

#### **10. Consent Form**

The FCA requires unexecuted client limit orders to be made public immediately unless the client expressly instructs otherwise. By consenting to this policy, you are expressly instructing GIS not to make such orders public unless we believe that by doing so, it will be to your advantage.

GIS is required to gain express consent prior to executing an order in an instrument admitted to trading on a Regulated Market, Systematic Internaliser, MTF or OTF outside of such a Regulated Market, Systematic Internaliser, MTF or OTF.

Please sign and return a copy of this notice to our compliance department since we will otherwise be prevented from achieving the best possible result where this is achieved by executing your order outside of a Regulated Market, Systematic Internaliser, MTF or OTF.

**CONSENT FORM TO GLOBAL INVESTMENT STRATEGY UK LIMITED ORDER EXECUTION POLICY**

- a) We consent to Global Investment Strategy UK Limited's Order Execution Policy including inter alia: Global Investment Strategy UK Limited executing orders outside a Regulated Market, Systematic Internaliser, MTF or OTF; and
  
- b) Unexpected limit orders not being made public immediately.

AUTHORISED SIGNATURE(s):

PRINT NAME (s):

DATED:

Please note that we are required to obtain your prior consent to this policy. As a Professional Client or Eligible Counterparty, you will be deemed to provide such consent when you give an order. A Retail Client will be required to formally approve this policy prior to commencement of trade. This policy is summarised in our terms of business and formal approval to this policy is given by way of agreement to enter into our terms of business.

**Appendix 1 – Brokers**

<b>Direct Market Access (DMA)</b>	<b>Instruments</b>
Barclays Bank	Equity
CIMB Bank	Equity
<b>Manual</b>	
AKJ	Equity Swaps, Equity Options
ABN	Equity, Equity Options
AMInvestment Bank	Equity
INTL FCStone Limited	Equity, Equity Swaps
Liberum	Equity
Macquarie	Equity
Maybank Kim Eng	Equity, CFDs
Bahana	Equity
GH Financial	FX Futures, Fixed Income Futures
Canaccord Genuity	Equity
CICC	Equity
CLSA	Equity
Cowen	Equity
China Renaissance	Equity
Evolution Capital	Equity
Eight Capital	Equity
Mizuho	Equity
IIFL	Equity
SBI	Equity
Liquidnet	Equity
Mirae Asset Management	Equity
NH Investment	Equity
Ord Minnett	Equity
Winterflood	Equity

**Appendix 2 – Markets**

Regulated Market	Instruments
Austria	Equity
Australia	Equity
Belgium	Equity
Canada	Equity
China (Connect)	Equity
Czech Republic	Equity
Denmark	Equity
Finland	Equity
France	Equity
Germany	Equity
Greece	Equity
Hong Kong	Equity
Hungary	Equity
India	Equity
Indonesia	Equity
Ireland	Equity
Israel	Equity
Italy	Equity
Japan	Equity
Korea	Equity
London Intl	Equity
Malaysia	Equity
New Zealand	Equity
Norway	Equity
Poland	Equity
Portugal	Equity
Singapore	Equity
South Africa (ZAR)	Equity
South Korea	Equity
Spain	Equity
Sweden	Equity
Switzerland	Equity
Taiwan	Equity
Thailand	Equity
The Netherlands	Equity
United Kingdom	Equity
CBOT	US equity options
ICE Europe	Index options
CME	Index options, Commodity options
LME	Index options, Commodity options