



Bestinvest Order Execution Policy

**Evelyn Partners Investment
Management Services Limited**

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INTRODUCTION

Since the introduction of the Markets in Financial Instruments Directive (“MiFID II”), Bestinvest has a duty to take all sufficient steps to obtain the best possible result for the execution of client orders (“best execution”).

Bestinvest is required to have in place policies and procedures that are designed to obtain the best possible result for you when executing orders on your behalf, subject to and taking into account any specific instructions from you, the nature of your orders and the nature of the markets concerned.

Bestinvest is a trading name of Evelyn Partners Investment Management Services.

PURPOSE

The purpose of this Order Execution Policy (“Policy”) is to set out our obligations under MiFID to you in a clear and concise manner, to outline the primary factors that drive our order execution policy in order to ensure that clients receive fair treatment when we execute orders in their portfolios irrespective of the underlying solution, asset class or market. Additionally, we retain evidence to demonstrate to individual clients, or to the regulator on all our clients’ behalf that dealing is equitable and compliant with the rules.

1. SCOPE

The scope of this policy is to cover all transactions by clients in such instruments and asset classes defined as financial instruments under MiFID as detailed below:

- All transferable securities (including equities and bonds)
- Units in a collective investment scheme
- It does not include, for example FX spot, deposits, and physical commodities

The policy also applies to employees engaged in accepting and arranging the execution of client orders.

2. HOW DO WE DETERMINE WHETHER BEST EXECUTION IS OWED?

Executing transactions on behalf of clients

Bestinvest owes a duty of best execution when it executes transactions on your behalf. Bestinvest will be executing transactions on your behalf where you legitimately rely on us to protect your interests in relation to the pricing and other elements of the transaction (such as speed and/or likelihood of execution) that may be affected by the choice we make. This may occur either where we execute a transaction directly or where we place a transaction with other third parties.

Determining legitimate reliance

We will apply the following criteria to determine whether you are legitimately relying on us in relation to any transaction.

Retail clients

If we have classified you as a retail client, Bestinvest will assume that you will place legitimate reliance on us to protect your interest in relation to the pricing and other relevant elements of all transactions that we execute with or for you in MiFID financial instruments.

3. DELIVERY OF BEST EXECUTION

Where we have determined that Bestinvest owe you a duty of best execution in relation to a transaction, we will in accordance with the policy take all sufficient steps to obtain best result. In the absence of specific instructions by you, Bestinvest may consider the following factors to achieve best execution on a consistent basis:

- Price
- Costs
- Speed
- Likelihood of execution or settlement
- Size
- Nature
- Type and characteristics of financial instrument; and
- Any other factor relevant to the execution of the order.

Whilst total consideration (the sum of the price and costs incurred by the client including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order) are ordinarily the key factors, the overall value to you of a particular transaction may be affected by the other factors listed above. In certain circumstances we may conclude that factors other than price and costs are more important in achieving the best possible result for you. The relative importance of each of the factors will differ depending on the following:

- The characteristics of the order
- The characteristics of the financial instrument subject to the order

The application and importance attached to each factor will vary according to the type of transaction being executed and the instructions (if any) given by you. We will use reasonable judgement together with our understanding of the appropriate execution criteria for the transaction. For example, in a larger order, minimising market impact might be of more importance than price, or in an illiquid instrument, certainty of completion may take preference over price.

4. HOW WE PROVIDE BEST EXECUTION

Unless instructed otherwise by you, we will determine the best possible result for you in terms of the “total consideration” of the transaction. Total consideration represents the price at which the trade is executed, and if relevant, any external costs (excluding Bestinvest fees). Unless instructed by you, we will only consider and prioritise the other execution factors where in doing so this will result in best possible result for you in terms of Total Consideration.

Specific Instructions

Where we owe you a duty of best execution and you provide us with specific instructions in relation to the entire transaction, or any particular aspect of the transaction, which we accept, then we will execute the transaction in accordance with those instructions and in doing so have satisfied our best execution obligations. Where your instructions relate to only part of the transaction, the remaining element not covered by your instructions will remain subject to best execution requirements.

5. BROKER SELECTION CRITERIA/EVALUATION

Bestinvest will only use a single trading venue to execute client orders in a given class of financial instrument where we are able to demonstrate that such a choice enables us to consistently obtain best results for our clients (and that the prices obtained are better or at worse the equivalent of the price they would obtain from alternative venues).

Any class of instrument transacted on a single trade venue will be subject to the same requirements of recording circumstances and trade timestamping as multiple venue trades.

While Bestinvest may choose the use of a single execution venue in a specific class of financial instrument, it will not be absolved from our duty of providing “best execution” on behalf of clients, and therefore it will regularly assess the market landscape to determine whether or not the emergence of new venues or execution services provide alternatives to the use of a single trading venue.

Bestinvest will monitor the quality of transactions executed on single venues using Trade Cost Analysis (TCA) by benchmarking the value of aggregate price improvements against an assessment of any direct, indirect or implicit trading cost, and then comparing these to any competing execution venues

Transactions on behalf of Bestinvest clients will be executed with or through our broker, Winterfloods Business Services. Our broker selection process may include (but not necessarily involve all of) the following:

- The ability to provide best price and maximise the opportunity for price improvement
- The ability to search and obtain liquidity to minimise market impact
- The ability to maintain and commit adequate capital to complete trades
- The ability to complete trades, to complete trades quickly and to minimise the number of incomplete trades
- Evaluation of pre and post trades
- Enabling access to specific markets (Eg. overseas exchanges)
- Quality and speed of electronic execution
- Timely and accurate provision of execution reports
- Satisfy trading needs in a diligent and consistent manner
- Responsiveness to comments or complaints regarding erroneous trades and willingness to correct such errors
- Ability to adopt and have access to all trading options with a view to improving execution quality
- Any other factors deemed relevant.

6. OBLIGATIONS TO MAINTAIN RECORDS OF ORDERS

Bestinvest operates procedures to ensure the prompt, fair and expeditious execution and allocation of client orders relative to other client orders and the trading interests of our associates. Bestinvest does not trade for its own account.

The procedures include arrangements where appropriate, for the aggregation of client orders with those of other clients. The effect of this aggregation and any resulting allocation or re-allocation of the executed order may work to the client's advantage or disadvantage in relation to a particular order – see sections 10 & 11.

Bestinvest are obliged to maintain records of order data for a minimum of 5 years.

7. TRANSMISSION OF ORDERS TO A THIRD PARTY

When we pass an order to another broker for execution, we will be under an obligation to take all commercially sufficient steps to obtain the best possible result for clients. Any third-party charges incurred when transacting client business will be shown as a separate cost to the client. Third party price quality and costs will be reviewed on a regular (at least annually) basis to ensure competitiveness and that they meet our best execution obligations to clients.

8. MONITORING AND REVIEW

We will review the effectiveness of our order execution arrangements on a regular basis in order to identify and, where appropriate, incorporate any amendments to procedures. We will assess, on a regular basis as to whether the execution venue provides for the best possible result for our clients or whether we need to make changes to our execution arrangements.

We will review our Policy at least annually or whenever a material change occurs that affects its ability to continue to obtain the best possible result for the execution of client orders on a consistent basis. We will notify you of any material changes to our order execution arrangements or policy.

This review process will be undertaken through the Evelyn Partner's Dealing Working Group which meets on a monthly basis and monitors adherence to this policy and the effectiveness of our order execution arrangements and procedures, in particular it:

- Reviews best execution analysis data on a monthly basis
- Monitors the execution quality of the entities to which we transmit orders
- Reviews the policy and internal execution procedures at least annually and also whenever a material change occurs that affects our ability to continue to provide Best Execution
- Review the best execution policies from external suppliers and 3rd party brokers, including providers of Structured Products, to ensure that they are taking sufficient steps to provide best execution to Bestinvest

All staff involved in the investment process must act in accordance with regulation in relation to their conduct, including acting with integrity, due skill, care and diligence, ensuring proper standards of market conduct and dealing with the regulator in an open and co-operative way. All first- and second-line staff must meet various fit and proper standards including requirements for training and competence.

9. FACTORS DETERMINING CHOICE OF VENUE

When executing a transaction in any asset class our choice of venue and execution method is dictated by best execution considerations; we have a fiduciary responsibility to take all sufficient steps to obtain best possible result for our clients, and this involves focusing on all the aspects of trading costs. Market impact, as an indirect cost of transacting, can sometimes exceed the direct costs of transacting (commission and fees) especially on larger deals. The primary focus in minimising overall transaction costs is therefore to choose a venue where natural liquidity can be accessed in order to minimise market impact.

Collective investment open-ended funds

Trades in collective investment open-ended funds are traded on behalf of Bestinvest by custodians. These trades are directed by Bestinvest to the custodian who then trade electronically (via the EMX, Calastone or Fundsettle platforms) with the relevant Fund Manager. Once the underlying fund has been valued by the relevant Fund Manager the price is reported back to the custodian, who books client trades on our behalf.

10. AGGREGATION OF CLIENT ORDERS

In order to carry out client orders we strive to ensure that they are executed promptly, accurately recorded and correctly allocated. We do not undertake to carry out a client's order in aggregation with another client order unless it is unlikely that the aggregation of orders and transactions will disadvantage any client whose order is to be aggregated. It has been disclosed specifically or in the "terms of business" that aggregation may work on some occasions to a customer's disadvantage.

11. ALLOCATION OF CLIENT ORDERS

In the event of an order not being completed, the executed portion of the trade will be booked across the aggregated clients on a pro rata basis, unless it is uneconomic to do so. Furthermore, the portion of the trade executed will be promptly allocated within one business day of the date of the transaction.

12. LIMIT ORDER HANDLING

Limit orders will be accepted on a "best endeavour" basis only. The limit order will be considered both live and firm for 30 business days. Thereafter the client limit order must be renewed either by the client or by the client executive on a daily basis.

13. EXTERNAL RESEARCH

Bestinvest may on occasion buy in external research from a 3rd party. Bestinvest will pay for external research where we are satisfied that it will reasonably assist in the provision of its services to clients and is not likely to impair compliance with its obligation to act in the best interests of its clients. In line with FCA rules any payments made for the provision of such research will be paid for entirely by Bestinvest out of its own resources (none of the costs incurred for external research will be passed on to our clients).