

Fiske

Order Execution Policy

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1 Purpose

Our Order Execution Policy outlines all of the sufficient steps we take to achieve “Best Execution” for our clients which means obtaining the best possible results for our clients when carrying out transactions on behalf of our clients. This is sometimes referred to as ‘executing client orders’.

2 Introduction and Overview

2.1 Background

Fiske plc ("**Fiske**") is authorised and regulated by the Financial Conduct Authority ("**FCA**"). It is subject to the FCA rules which implement the Markets in Financial Instruments Directive ("**MiFID**") and MiFID II.

Fiske provides investment advisory, dealing and discretionary management services to its clients in respect of the following types of financial instrument: (1) shares in UK and non-UK companies; (2) debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper and other debt instruments (including government, public agency, municipal and corporate issues); (3) warrants to subscribe for financial instruments falling within (1) and (2); (4) depository receipts and other types of instrument relating to investments falling within (1), (2) and (3); (5) traded options; and (6) unit trusts, mutual funds and similar schemes in the UK or elsewhere, including unregulated collective investment schemes ("**UCIS**").

When dealing in these financial instruments on behalf of its clients, Fiske must comply with certain FCA conduct of business ("**COBS**") rules. This document sets out how Fiske complies with the order execution rules in COBS 11.2 (*Best Execution*) and the client limit order rules in COBS 11.4 (*Client Limit Orders*).

This policy will be reviewed regularly, at least once a year, and amended as considered necessary by the firm’s Management Body in the event of changing circumstances or regulations.

2.2 Provision of dealing services

There are two methods by which Fiske may give effect to a client's decision to deal. These methods are distinguished for the purposes of the applicable FCA rules.

Fiske may: (1) execute the relevant transaction on behalf of the client directly with a counterparty or on an exchange or other trading system, in which case Fiske will be providing the client with the MiFID service of "**execution of orders**"; or (2) send the order to a third party (e.g. another broker) for that third party to execute on behalf of the client, in which case Fiske will be providing the client with the MiFID service of "**reception and transmission**". Fiske generally provides its clients with the service of "execution of orders".

When executing an order, Fiske must take all reasonable steps to obtain the best possible result for the client, taking into account certain prescribed factors. When transmitting an order to a third party for execution, Fiske must act in accordance with the best interests of the client and, in order to comply with that obligation, must take all reasonable steps to obtain the best possible result for the client, taking into account the prescribed factors.

2.3 Provision of discretionary management services

When providing clients with discretionary management services Fiske makes, and then gives effect to, decisions to deal in financial instruments on behalf of its clients. As above, there are two methods of giving effect to those decisions.

Fiske may either execute orders directly (in which case the considerations set out above are relevant) or it may place orders with third parties for execution. When placing an order with a third party, Fiske must act in accordance with the best interests of its client and, as is the case where Fiske receives and transmits orders, it must take all reasonable steps to obtain the best possible result for the client, taking into account the prescribed factors.

2.4 Purpose of this Order Execution Policy

This Order Execution Policy sets out the procedures which Fiske has put in place to comply with the detailed rules in COBS 11.2. and 11.2a...

It applies in respect of all of Fiske's clients, including discretionary, advisory managed, advisory non-managed and execution-only clients and applies regardless of whether the client is a "retail" or "professional" client for the purposes of the FCA's rules.

All Fiske employees who are responsible for executing orders or placing orders with third parties for execution must ensure that those activities are conducted in accordance with this Policy.

If you have any questions about this Policy, please contact the Compliance Department in the first instance.

3 Applicable FCA Rules and general approach

3.1 Overview of the best execution obligation

Under the FCA's conduct of business rules, Fiske is required to take all sufficient steps to obtain, when executing client orders or transmitting client orders to, or placing client orders with, third parties for execution, the best possible result for its clients taking into account the "**execution factors**". This is often referred to as the "**best execution obligation**".

The "**execution factors**" are price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

When executing a client order or transmitting or placing a client order for execution, Fiske must take into account the "**best execution criteria**" when determining the relative importance of the execution factors.

The "**best execution criteria**" are the characteristics of: (1) the client (including the client's categorisation as retail or professional); (2) the client order (for example, whether the client has specified any particular price limits or markets on which it wishes its order to be executed); (3) the financial instruments that are the subject of that order (for some financial instruments there may be only limited markets); and (4) the "**execution venues**" to which that order can be directed.

An "**execution venue**" is a regulated market, multilateral trading facility ("**MTF**"), systematic internaliser, market maker or other liquidity provider (or a third country entity that performs a similar function to any of these types of entity).

3.2 The role of price

Where Fiske executes an order on behalf of a retail client, it must determine the "best possible result" in terms of the total consideration, being the price of the financial instrument and the costs related to execution. Costs related to execution include all expenses incurred by the client which are directly related to the execution of the order, including execution venue, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

3.3 Competing execution venues

Where Fiske is executing an order on behalf of a retail client and there is more than one venue on which the order could be executed, the FCA requires that in order to assess and compare the results for the client that would be achieved by executing the order on each of the relevant execution venues, Fiske's own commissions and costs for executing the order on each of the eligible execution venues is taken into account in that assessment. It is Fiske's policy never to vary its commission by execution venue.

3.4 Specific instructions from a client

The duty of best execution is modified to the extent that a client gives a specific instruction concerning the execution of their order. However, even where a client gives Fiske a specific instruction this does not relieve Fiske completely from its obligation to obtain the best possible result. Fiske must still obtain the best possible result to the extent that the client's instructions do not cover any particular aspect of the order and Fiske must be able to explain

to the client how it handled those parts of the order which were not subject to specific instruction.

Specific client instructions occur when a client specifies an exchange or venue on which an order is to be executed, requires the order to be sent to a particular broker for execution or selects an algorithm to be applied to their order.

It is not possible to exclude algorithmic execution in its entirety from best execution. To the extent that the algorithm involves, for instance, the exercise of judgement as part of its order routing logic, the best execution rules apply. That is, to the extent that the algorithm still involves the exercise of discretion, that discretion is subject to the best execution requirement.

4 Execution of orders

In choosing the execution venues that appear in Part 3 of this Order Execution Policy, Fiske has taken care to select execution venues that, in Fiske's view, enable it to obtain on a consistent basis the best possible result for its clients. Those execution venues include certain regulated markets and MTFs and the market makers and other liquidity providers with whom Fiske directly executes transactions.

4.1 Transmitting orders to/placing orders with brokers

In choosing the brokers that appear in Part 3 of this Order Execution Policy, Fiske has taken care to select those brokers that, in Fiske's view, consistently provide a high quality of execution service in relation to the relevant class of financial instrument, taking account of the factors described below.

Where Fiske sends an order to/places an order with a broker for execution by that broker, Fiske is not responsible for the execution arrangements made by the broker. Fiske is not required to duplicate the efforts of the broker to whom the order is passed in ensuring that the best possible result for the client is achieved.

Fiske's obligations are to ensure that the brokers included in this Policy are the ones who will assist it to comply with its best execution obligation (by delivering the best possible result) and that orders are passed to those brokers in accordance with the Policy.

Fiske selects such brokers taking into account their ability to execute orders in accordance with the priorities set out in respect of each class of financial instrument in Part 3 of this Policy, their ability to deal with Fiske efficiently and the costs involved.

4.2 Choosing between executing an order and sending it to/placing it with a broker

Once Fiske is instructed (or, in the case of discretionary managed clients, decides) to deal in a financial instrument on behalf of a client, the relevant dealer will decide whether to attempt to execute the transaction directly or to send the order to/place the order with a broker.

Unless there are exceptional circumstances, Fiske employees must not execute orders on an execution venue, or send orders to/place orders with a broker, that is not listed in respect of the relevant type of financial instrument in Part 3 of this Policy.

Exceptional circumstances might include where the client wishes to trade in an unusual financial instrument that cannot be executed with or by one of the execution venues or brokers listed (including where the order cannot be executed at all or where it cannot be executed in a manner that would be likely to achieve the best possible result for the client).

In some instances a deal might be transacted between one Fiske client and another Fiske client without exposing the trade to the market. Client orders are also filled on a 'first come, first served' basis.

4.3 Categorisation of Fiske by brokers

As a matter of policy, Fiske requests to be categorised by all brokers as a "professional client". This means that the broker will owe Fiske a duty of best execution and helps Fiske to discharge its duty of best execution to clients.

4.4 Payment for order flow

There is not, nor has there ever been, a situation whereby Fiske received payment by a counterparty for order flow.

5 Application to relevant classes of financial instrument

5.1 Introduction

This part of the Order Execution Policy sets out an analysis of the criteria and factors which are taken into account by Fiske and how they are balanced when seeking to achieve best execution. In any particular case, however, that analysis is applied by the individual dealer using his/her judgement on the basis of reasonably available information, such as information from brokers, information providers and data vendors. There may, therefore, be cases where the circumstances of a particular order mean that the execution factors must be prioritised in a different way to that which is set out in this Policy or must take into account an element that is particular to the order in question, for example if the market is illiquid, and in such a case, Fiske will exercise its discretion as to the way in which to achieve the desired result.

5.2 Financial instrument (1): shares in UK companies

5.2.1 Execution factors

Fiske takes into account a number of factors in providing best execution in shares in UK companies. They are generally ranked as set out below.

In the case of retail orders, price will usually be the most important factor.

In the case of institutional orders, price will generally be the most important factor but not necessarily determinative in achieving the best outcome. Other considerations such as timeliness, order size and market impact may be significant. Price assumes higher priority where transactions are low in size/value and have minimal market impact. Where Fiske works an order in a larger size and/or less liquid stock these are likely to be worked over a period of time and the emphasis is likely to be on minimising market impact. For larger orders, dealers will often consider that certainty of execution, reduction of market impact and speed of execution will have greater importance and these factors will often drive a dealer's decision as to whether to pass the order to a broker or to execute directly with an execution venue. It may be that to ensure quick execution and minimise market impact such orders may be split between multiple brokers but only if this will be in the best interest of the client. When dealing in shares whose principal quotation is London, settlement is generally a low priority as there are efficient settlement and clearing arrangements in such instruments.

5.3 Order dealing procedures

5.3.1 Institutional Orders

Fiske receives these orders either verbally or on Bloomberg IB Chat or Fix Connection. Upon receipt Fiske ascertains which profile the client wishes to follow on the Algorithmic machine (Kepler) for example:-

- a) To follow volume during the day, establishing to what degree exposure to the market i.e. 10%, 15%, 20%, etc. depending on the liquidity of the stock and passive or aggressive approach to the order.
- b) Fiske asks whether the client wishes to transact the whole order now - if possible - and at what limit and whether to use 'dark pools'.

5.3.2 Retail Orders

(1) Retail Service Provider ("**RSP**") Orders

Fiske has access to circa 30 RSP links. On receiving an order that is appropriate and best managed by using the RSP platform, which is usually closer than the price spread on the yellow strip, Fiske proceeds to access this system. If the order is larger than that available Fiske then refreshes the RSP window with the size programmed in to see if one of the providers can meet

that size and Fiske is able to deal. If not, then Fiske 'phones the relevant market makers to negotiate the best price with them.

When receiving a retail order that is not particularly liquid Fiske checks the market to determine whether it is possible with one of the providers to carry out the instruction. Having checked the background surrounding the current circumstances in the market Fiske will know whether it can execute part or all of the order. Fiske consults with the business getter on the options open to it and establishes the most suitable route to take. Fiske then selects the provider that has indicated the best possible outcome and commences negotiations, whilst keeping watch on the movement of the underlying stock, the market and trades that are occurring in order to establish best expectation (see Appendix 2).

(2) Retail Orders in the Top FTSE-350

With an order in this category which is more substantial than the published RSP size, Fiske contacts the relevant market makers to negotiate best price for the client, noting who is broker to the company, time and sales already disclosed and the stock's movement during the day.

Where an order relates to unlisted shares, as there is no formal execution venue the dealer simply obtains the best price possible during the course of negotiations with the company and its representatives.

5.4 Execution venues and brokers

- London Stock Exchange
- MTFs
- Systematic internalisers
- Fiske plc

5.5 Financial instrument (2): shares in non-UK companies

5.5.1 Execution factors

In selecting brokers in overseas markets, Fiske has selected brokers which it believes consistently provide its clients with the best possible result in the relevant market. Whilst Fiske only has one broker in certain overseas markets, it has chosen those brokers on the basis that they provide Fiske's clients with the best service in terms of cost and likelihood of settlement.

In order to ensure that the chosen brokers provide Fiske's clients with the best possible result on a consistent basis, Fiske contacts other brokers in the relevant markets on a periodic basis to determine whether the brokers listed above are still providing Fiske's clients with the best possible result or whether Fiske should seek to use a different broker in that market. We must give reason why we have chosen the overseas brokers.

From Fiske's perspective, the key execution factors relating to shares in non-UK companies are certainty of execution, likelihood of settlement and price (unless the client is a retail client, where price is most probably the most important factor.)

6 Order dealing procedures

6.1 European Orders

When receiving an order for shares which are traded on a European market, Fiske contacts Winterflood [Securities Limited] who provides Fiske with a service in that destination. In Greece, we use Peel Hunt. Fiske negotiates the terms of the deal and then has the facility of settling in either Euroclear or Crest. If Fiske has a purchase order in a French stock that attracts the Tobin Tax, Winterflood will include that in the price paid. However, dealers can refer to the RSP which will show if either or both Winterflood and Peel Hunt have a competitive price which is the best price at the time.

6.2 Overseas (non-European) orders

(1) *Far East orders*

Fiske's provider in the Far East is DBS Vickers who has a substantial operation locally. Where an order for shares in a Far Eastern market is placed, the dealer on the Dealing Desk who receives the instruction will 'phone Fiske's contacts at DBS Vickers and give the order(s) to be executed – either for the same day if the overseas market is still open, or overnight if Fiske receives the order after the local market has closed. Once the order has been executed Fiske receives a full report detailing the transaction. Fiske also uses DBS Vickers as its local depot when purchasing stock from the Far East.

(2) *Australian orders*

If an order is received for Australian equities from an Investment Manager then the dealer would email the order, and order instructions to our provider (Novus) in Australia, which would include a copy of the holding statement to provide evidence of the SRN No. for the clients holding if the order is a sell order. Assuming that the order is completed we will receive an email trade confirmation the following morning with details of the trade(s) including all relevant charges applied. If the trade has not been carried out for reasons of a limit order or there has not been sufficient liquidity to execute the trade, then instructions from the Investment Manager would follow as to whether the order is renewed for the following trading session.

We hold all Australian holdings at Fiske Plc in the way of SRN holding statements.

(3) *US and Canadian orders*

As opposed to the other overseas centres Fiske has two providers in these markets (Winterflood and Peel Hunt) as Fiske tends to do more trades in these two areas. Fiske has

negotiated terms of business with those providers. In the case of Winterflood these are agreed while transacting a deal whereas Peel Hunt has a charging structure.

Dealers must check with the Operations Department on whether or not a Canadian or US stock is Crest eligible. In practice, orders in these markets are given over the 'phone to the respective providers and Fiske receives reports in due course. Fiske generally stipulates to the provider whether it wishes to enter the auction at the start of the trading day or not. In addition, when there is a limit attached to the order, Fiske leaves its business with them to work on throughout the trading day.

At Fiske's request the purchases are settled through Crest and therefore the stock is held there. As far as sales are concerned, Fiske refers to its Nominee provider (in-house) and the stock will be in Crest.

6.3 Financial instrument (7): Unit trusts, mutual funds and similar schemes in the UK or elsewhere, including UCIS

6.3.1 Execution factors

For most types of Collective Investment Scheme ('CIS'), there is no secondary market and that it is almost invariably the case that Fiske will place an order for the purchase or sale of units with the operator/manager/administrator of the fund. The broker or execution venue for such transactions would therefore always be the operator/manager/administrator (as appropriate). Certainty of execution will usually be the most important factor but that if the CIS is listed then price will be the most important factor.

6.3.2 Order dealing procedures

As the order is uploaded on Tercero the instruction will be sent by FNZ or CoFunds to the relevant fund and processed as per their normal policy. All transactions are submitted by Fiske personnel and not through any other broker.

6.3.3 Execution venues and brokers

Fiske deals only in funds which are detailed on its approved list. Fiske follows the policy laid down by the relevant fund. Usually pricing is once a day at midday.

7 DISCLOSURE, MONITORING and review

7.1 Disclosure to clients

Fiske provides appropriate information to its clients on this Order Execution Policy. It provides all clients with the following information about the Policy in good time prior to providing services to the client:

- an account of the relative importance which Fiske assigns, in accordance with the execution criteria, to the execution factors, or the process by which it determines the relative importance of those factors;
- a list of the execution venues on which Fiske places significant reliance in meeting its best execution obligation; and
- a clear and prominent warning that any specific instructions from a client may prevent Fiske from taking the steps that it has designed and implemented in this Policy to obtain the best possible result for the execution of that order in respect of the elements covered by the instructions.

As this Policy provides that orders may be executed outside a regulated market or MTF, Fiske also informs clients that such execution is a possibility. Fiske obtains the client's prior consent to this Policy and the general agreement of its clients to the execution of orders outside a regulated market or MTF.

Fiske will apply its execution policy to each client order that it executes with a view to obtaining best execution for its clients.

7.2 Monitoring of execution arrangements and review of policy

7.2.1 Ongoing monitoring of execution arrangements

Fiske monitors the effectiveness of its order execution arrangements and Order Execution Policy in order to identify and, where appropriate correct, any deficiencies. Responsibility for best execution arrangements is centred on the Head of Dealing in tandem with Compliance and with reference to the Dealing Team.

Fiske assesses, on a regular basis, whether the execution venues and brokers described in this Policy provide for the best possible result for clients or whether changes to the execution arrangements are required. Fiske notifies clients of any material changes to its order execution arrangements or this Policy.

As a day-to-day practice the dealing desk habitually seeks to discover additional venues and brokers that serve Fiske with the most liquidity and keen service and prices. This aspect of dealing in the market changes from time to time as counterparties may alter their business approach.

As an example, a market maker who does not charge for extended settlement may commence charging for no apparent reason. Alternatively, a market maker may reduce the size at which they are prepared to deal with Fiske as their own circumstances have changed and they can therefore only deal within the parameters of their smaller book. The sea-change experienced over a period of time of venues altering their approach to their broking customers can only be identified by the experience of attempting orders with a spread of market makers to find out whether their business profile has improved or deteriorated for the user.

Compliance regularly checks a random sample of deals across instrument types to ascertain whether best execution has been achieved by reference to this Policy. If it appears that there is an example that has failed then Compliance will question the Dealer involved and the circumstances surrounding the trade at the time of dealing and require an explanation as to why this has occurred.

Documentation is required, as evidence, that with agency crosses (internalisation) and connected parties there are no conflicts of interest or best execution failures. Fiske charges commission on these transactions and any benefits which may arise over and above standard commission will be allocated to the clients involved.

7.2.2 Formal review of policy

Fiske reviews this Policy, and its order execution arrangements, on an annual basis. Fiske would also carry out an additional review should a material change occur which affects its ability to continue to obtain best execution for clients using the venues described in this Policy.

7.2.3 Demonstration of execution of orders in accordance with this Policy

Fiske maintains procedures which allow it to demonstrate to clients, at their request, that it has executed orders in accordance with this Policy.

7.2.4 Review of execution of any enhancements to best execution requirements

Fiske will implement procedures to enable us to publish our top five execution venues (per asset class). Separate reports will be necessary depending on whether there are retail or professional clients and securities financing transactions. This information is to be uploaded on the Fiske website.

8 Client Limit Orders

8.1 Introduction

There are specific FCA requirements in respect of limit orders relating to shares admitted to trading on EU regulated markets.

Under COBS 11.4 (*Client limit orders*), unless a client expressly instructs otherwise, a firm must, in the case of a limit order in respect of shares admitted to trading on a regulated market

which is not immediately executed under prevailing market conditions, take measures to facilitate the earliest possible execution of that order by making public immediately that limit order in a manner which is easily accessible to other market participants. This obligation does not extend to orders which are "large in scale" compared with normal market size.

A firm will be considered to disclose limit orders that are not immediately executable if it transmits the order to a regulated market or MTF that operates an order book trading system, or ensures that the order is made public and can be easily executed as soon as market conditions allow.

Fiske's terms of business provide that Fiske's clients instruct it not to make orders public immediately unless Fiske considers that it is in the client's best interests to do so.

8.2 Approach to limit orders

When receiving an order with a limit that cannot be transacted immediately, the Dealing Desk will take ownership of the instruction 'good for the day'.

- a) If the order is only part completed at the end of the trading day then the dealing ticket will be processed by the Contracts Department. If the initiator of the order wishes to continue with the balance the next day then it is incumbent on him/her to enter a new electronic ticket in the dealing system with suitable instructions for the Dealing Team.
- b) If none of the order is executed then the initiator of the order will need to re-enter an electronic ticket in the dealing system with suitable instructions for the Dealing Team on the following day if he wishes to attempt to get the order transacted again.

If the Dealing Desk is working a 'live' order and an announcement appears on the system regarding that stock the order is then 'frozen' until the client is aware of the content and the business getter receives fresh instructions.

Approvals

Name	Date	Version
Risk Committee	20/07/2020	1.0
Risk Committee	09/09/2021	1.1

Review

Name	Date	Version

Change History

Version	Date	Status	Name	Details of change
V1.1	20/08/2021	Approved	Leigh Middleton-Ross	Date updated from 2020 to 2021. Version control updated. Execution venues updated to show the correct venues for 2020.
V2.0	19/08/2022	Approved	Leigh Middleton-Ross	Date and version control and company logo updated. Section on Top 5 Execution venues for each instrument removed as no longer a requirement to publish this information.