

# Best execution policy

## 1. Purpose and scope of application

This document lays down the order execution policy ("Policy"), established in accordance with the practices of Bank Pictet & Cie (Asia) Ltd (hereafter referred to as the "Bank").

The Bank will take all reasonable steps using the resources available to ensure that the Bank has processes in place that can reasonably be expected to lead to the delivery of best execution and best selection.

This Policy applies solely to the financial instruments listed in the Product Schedule under the Terms of Business for Brokerage Clients (including their subsequent modifications), which is available on request.

## 2. Best execution

### Methodology

When receiving and executing client orders, the Bank will take all reasonable steps to obtain the best possible result for its clients taking into account the best execution criteria and best execution factors set out below, subject to any instruction given by the client (see section 3).

- price;
- costs;
- speed;
- likelihood of execution;
- likelihood of settlement;
- size of the order;
- nature of the trade;
- any other consideration relevant to the execution of the order.

### Order execution policy

As stated above, the Bank shall assess the relative ranking and the relative importance of the aforementioned factors, based on its experience and judgment in light of the available market information and market conditions at the appropriate time, and taking into account the following best execution criteria:

- the characteristics of the client;
- the characteristics of the client order;
- the characteristics of the financial instruments which are the subject of the client order;
- the characteristics of the execution venues to which the client order can be directed.

Generally, the price and cost in respect of an order is more important relative to the other factors in order for the Bank to obtain the best possible result for the client. However, in respect of certain orders, financial instruments, markets, market conditions or client types, the Bank may determine that other execution factors should be equally important or should take precedence over price and cost in order for it to obtain the best possible execution result, taking into consideration the nature and size of the order.

### Execution venues

The Bank takes a selective and practical approach to choosing the different execution venues. The Bank may provide a non-exhaustive list of execution venues, subject to regular internal review.

Whenever several execution venues are possible, the Bank will assess the efficiency of the various venues before selecting one or more venues it considers the best. The Bank may

execute orders on any venue or a combination of venues chosen by it including without limitation:

- regulated markets
- multilateral trading facilities ("MTF")
- systematic internalisers ("SI")
- other securities dealers whether within or outside Singapore
- other entities of the Pictet Group acting as banking counterparty or market maker, such as Banque Pictet & Cie SA, Pictet Canada S.E.C. (for Canadian markets) and Pictet Overseas Inc. (for US markets)
- other liquidity providers

For reasons of cost and efficiency, the Bank has chosen not to systematically join all possible pools of liquidity. A relationship with new brokers, MTFs or SIs will be established only if the improvements these generate are notable and significant in terms of price and liquidity.

In the absence of any formal opposition by the client, some orders may be executed outside a regulated market if the Bank believes that, in doing so, it can achieve the best possible result for the execution of client orders.

However, the decision to use any of the venues set out above may also be influenced by other additional criteria, as long as the Bank is of the view that it will ultimately obtain the best possible result for its clients.

Under unusual market conditions, the Bank is authorised to temporarily disregard this Policy, if it assesses in its sole opinion, that this is in the client's interest. However, the Bank will (on a best effort basis) still seek to achieve the same level of service and execution as during normal market conditions. The Bank may *inter alia*:

- execute an order at a different price from an available quotation or from the last paid price;
- execute orders partially or split up orders for execution at different prices.

### Processing of client orders

The Bank shall use its best endeavours to manage all client transactions in a fast and equitable manner.

Whenever the Bank processes orders for its clients, it shall use reasonable endeavours to ensure that:

1. the executed orders are registered in the client's name and invoiced quickly and precisely;
2. all client orders are executed promptly and in the order in which they were received unless:
  - the client issues other instructions (such as care, max. 1/3 volume, VWAP, closing, opening, etc.);
  - the nature of the order or prevailing market conditions make this difficult to achieve, or the client's best interests call for a different procedure;
3. (where relevant) the relationship manager is informed of any difficulties in executing an order, provided it is practical to do so.

### Aggregation of orders

Client orders may be aggregated, offset or cumulated for execution purposes, provided that the following conditions are met :

- the characteristics of the client order make them suitable for aggregation;
- it is in the Bank's sole opinion, unlikely that the aggregation of client orders will work generally to the disadvantage of any client whose order is to be aggregated;
- the Bank complies with its order allocation procedures.

The Bank is not obliged to inform the client if it aggregates, offsets or cumulates client orders. If the aggregated order is partially executed, the Bank shall use reasonable endeavours to seek in good faith to allocate investment opportunities fairly among all its clients.

### Verification of best execution

The client may request verification of the quality of execution. This is done with respect to a measurable criterion (or benchmark, for example arrival price, VWAP). Upon request, the Bank will provide clients with proof that its Policy has been observed.

As far as limit orders are concerned, the conditions of best execution are met once the orders are sent to the reference market. However, the Bank is authorised to exercise its power of discretion, according to the size of the order, by not divulging to the other market players the full extent of pending limit orders.

### **3. Specific client instruction**

When a client or one of his duly authorised representatives gives a specific instruction for the execution of a client order, the order will be executed in accordance with those specific instructions. In such circumstances, the Bank shall execute the client order in accordance with the special instructions given and not in accordance with the methodology set out herein, and shall no longer have any obligations towards the client to execute the client orders in accordance with this Policy.

The Bank is required to assess and document its assessment, to determine the circumstances under which an accredited investor or expert investor does not rely on the Bank to place or execute order(s) on the best available terms. The assessment for non-reliance will be performed on a per trade basis

### **4. Monitoring**

The Bank monitors the effectiveness of this Policy. Representatives from the relevant departments performs regular checks including without limitation reviewing this Policy whenever a material change occurs that affects its ability to continue to obtain the best results for its clients. The Bank will monitor the effectiveness of this Policy and execution arrangements to identify and, where appropriate, correct any deficiencies. This will include but is not limited to the performance of an assessment of the execution venues in order for the Bank to provide the best possible result for its clients.

### **5. Important note**

This Policy does not form part of any contract between the Bank, any member of the Pictet Group and any of its clients or prospective clients. It is not legally binding on the Bank and is simply a statement of policy issued in accordance with Pictet Group's regulatory obligations.