

THE QUALITY OF EXECUTION

When SCM ("we") execute orders on your behalf or receive and transmit orders on your behalf, we will take all reasonable steps to achieve the best possible result for your orders - this is called "best execution". This means that we will have in place a policy and procedures that are designed to obtain the best possible result for your orders, subject to and taking into account any specific instructions from you, the nature of your orders and the markets in question.

In providing you with best execution we will take into consideration a range of different factors which include not just price, but also other factors such as the cost of the transaction, the need for timely execution, the liquidity of the relevant market, the size of the order and the nature of the financial transaction including whether it is executed on a regulated market or over-the-counter.

In the absence of express instructions from you, we will exercise our own discretion in determining the factors and their relative importance that we need to take into account for the purpose of providing you with best execution.

We will owe a duty of best execution when we execute orders on your behalf. We consider ourselves to be typically in receipt of an order and acting on your behalf where an execution instruction is given to us that gives rise to contractual or agency obligations owed by us to you. Whether these obligations arise is a question of fact that depends on whether you legitimately rely on us to protect your interests in relation to the price and other elements of a transaction that may be affected by the choices made by us when executing an order. Where we provide either continual quotes, or quotes upon request ('request for quote' basis), or where we deal with you as principal for our own account, which you accept by executing a transaction, we will not, in general, be executing an order on your behalf and in these circumstances, best execution will not apply.

Our policy, in providing you with best execution, is, so far as possible, to exercise the same standards and operate the same processes across all the different markets and financial instruments on which we execute your orders. However, the diversity in those markets and instruments and the kind of orders that you may place with us mean that different factors will have to be taken into account when we assess the nature of our execution policy in the context of different instruments and different markets. For example, there is no formalised market or settlement infrastructure for over-the-counter transactions. In

some markets, price volatility may mean that the timeliness of execution is a priority, whereas, in other markets that have low liquidity, the act of execution may itself constitute best execution. In other cases, our choice of venue may be limited (even to the extent that there may only be one platform/market upon which we can execute your orders).

Where you provide us with a specific instruction in relation to your entire order, or any particular aspect of your order including selecting to execute on a particular venue, we will execute the order in accordance with your instructions. However, please note that where you provide us with a specific instruction this may prevent us from following some or all of the steps in our order execution policy that are designed to obtain the best possible result for the execution of your orders. In following your instructions we will be deemed to have taken all reasonable steps to provide the best possible result in respect of the order or aspect of the order covered by your specific instructions.

Our obligation to provide you with "best execution" does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

SUMMARY OF ORDER EXECUTION POLICY

We have set out below information on the execution factors we consider in selecting the different venues on which we may execute your orders and have identified the types of venues on which we will most regularly seek to execute your orders and which we believe offer the best prospects for affording you best execution.

In the absence of specific instructions from you, we will consider the following execution factors to determine the manner in which your order will be executed:

- Price;
- Costs;
- Speed of execution;
- Likelihood of execution or settlement;
- Size of your order;
- Nature of your order;
- Any other consideration relevant to the efficient execution of your order.

In the absence of specific reasons to the contrary, the total consideration that is likely to be achieved for a transaction will dictate the execution venue chosen. In some circumstances and for some products, costs, speed of execution and liquidity may also determine the manner in which your order will be executed.

We will determine the relative importance of each factor using the following criteria:

- Your characteristics (including your regulatory client categorisation);
- The characteristics and nature of your order, including whether any specific instructions are given;
- The characteristics of the financial instruments that are the subject of your order;
- The characteristics of the execution venues to which your order can be directed (including the ability of the venue to manage complex orders, the creditworthiness of the venue and the quality of any related clearing and settlement facilities).

For each product in which we execute orders on behalf of clients we have included in our order execution policy those venues that enable us to obtain on a consistent basis the best possible result for the execution of client orders. In meeting our obligation to take all reasonable steps to obtain on a consistent basis the best possible result for the execution of your orders we may use one or more of the following venue types when executing an order on your behalf:

- Regulated Markets;
- Multilateral Trading Facilities;
- Systematic Internalisers;
- Our own account;
- Third party investment firms and/or affiliates acting as a Market Maker or other liquidity providers; and/or
- Non-EU entities performing similar functions.

We will assess which venues within this list are likely to provide the best possible result for our clients on a product-by-product basis. In certain financial instruments, there may only be one execution venue, and in executing a trade in such circumstances we will presume that we have provided the best possible result in respect of these types of financial instruments.

You should note that some of your orders may be executed outside a Regulated Market or a Multilateral Trading Facility where we believe we can achieve the

best possible result for execution of your order by doing so.

More information on the execution venues that we have chosen for individual products is available on request.

RECEIVING AND TRANSMITTING ORDERS OR PLACING ORDERS

Subject to any specific instructions received from you, when we: (i) transmit orders received from you to another dealer for execution; or (ii) place orders with other entities for execution that result from decisions by us to deal in financial instruments on your behalf, we are under an obligation to take all reasonable steps to obtain the best possible result for you. We will, therefore, either determine the ultimate execution venue for your order on the basis of our order execution policy as described above and then give specific instructions to the other dealer or we will satisfy ourselves that that other dealer has arrangements in place to enable us to comply with our obligation to you. Where we transmit orders to, or place orders with, other brokers, we monitor the standard of execution being provided by them and, where appropriate, correct any deficiencies.

MONITORING AND REVIEW

We monitor the effectiveness of our order execution arrangements and order execution policy in order to identify and, where appropriate, correct any deficiencies. We assess, on a regular basis, whether the execution venues included in the order execution policy provide for the best possible result for our clients or whether we need to make changes to our execution arrangements. We review our order execution arrangements and order execution policy at least annually or whenever a material change occurs that affects our ability to continue to obtain the best possible result for the execution of client orders on a consistent basis, using the venues included in our order execution policy. We will notify you of any material changes to our order execution arrangements or order execution policy as summarised above via our website (www.singercm.com) as notified to you, unless you otherwise request this in writing.