

CAVENDISH ASSET MANAGEMENT LIMITED

Order Execution Policy

1 INTRODUCTION

1.1 This document sets out our process for obtaining “Best Execution” in relation to the transactions that we carry out for you either as part of our discretionary management service or on your instruction.

1.2 This policy should be read in conjunction with the Conflict of Interests Policy which contains other relevant information.

1.3 Best Execution is the term used to describe our objective of taking all reasonable steps to obtain the best possible result for each transaction carried out on behalf of our clients. In order to obtain the best possible result we take into account a number of factors:

- Price;
- Costs;
- Speed of transaction;
- Size of transaction;
- Nature of the investment; and
- Any other specific considerations relevant to that transaction.

1.4 In determining the relative importance of the execution factors above, we also into account the following criteria:

- The characteristics of the client including the categorisation of the client as retail or professional;
- The characteristics of the client order;
- The characteristics of financial instruments that are the subject of that order;
- The characteristics of the execution venues to which that order can be directed; and
- For a management company, the objectives, investment policy and risks specific to the UCITS scheme or EEA UCITS scheme, as indicated in its prospectus or instrument constituting the fund.

1.5 For Retail Clients the best possible result will be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution. This cost includes all expenses that will be incurred by the Retail Client, which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Total consideration will receive overriding priority but other factors such as speed, size of transaction and where relevant any specific consideration or client instruction (such as limit orders) will also be taken into account as part of this process.

- 1.6 For other clients' types, including Professional Clients the best possible result will be determined in terms of the total consideration as described at clause 1.5 above. However other factors such as speed, size of transaction and where relevant any specific consideration or client instruction (such as limit orders) will also be taken into account and where determined appropriate may be given equal priority to total consideration.
- 1.7 Overall for all client types total consideration, which includes price, is the most important execution factor for the majority of trades that are executed. The circumstances where total consideration, including price is not the most important factor when executing a trade are likely to be where:
- For smaller capitalised equities and less liquid stocks, the likelihood of execution and the provision of liquidity may be more important than the price.
 - When raising cash to fund redemptions for clients that are UCITS scheme, the speed and likelihood of execution may be more important.
 - When executing a large order, the ability to transact the whole of the order at a less favourable price may be more important than only executing a part of the order at the best available price at that time.
 - In certain markets, the level of price volatility may mean that timeliness of trade execution is the priority.
 - When executing certain instruments, such as mutual funds, ETFs or derivatives where the choice of execution and/or clearing venue may be limited.
 - When we execute orders where clients have given us specific instruction (such as limit orders).

2 EXECUTION VENUES

- 2.1 In order to facilitate Best Execution we have entered into arrangements with a number of firms and networks (collectively described as execution venues in this policy) and have put in place communication links in order that we can gain access to all relevant markets for the types of financial instrument in which we deal.
- 2.2 Our internal systems help us to monitor our trading process to ensure that all orders and deals are implemented accurately and promptly.
- 2.3 When we decide to carry out transactions on your account our investment managers will then decide the most appropriate way in which to execute that order. It may involve combining the order with those of other clients if we think that is the most beneficial way of carrying out the transaction, e.g. it may assist in obtaining a better overall price.
- 2.4 We will consider a number of factors when deciding on the most appropriate dealing venue based on the type of instruments being purchased. Some

investments can only be traded through a limited number of venues whereas for others there may be a wide choice and factors like price and speed will need to be compared carefully to determine the best result. The types of venue used are set out below.

3 INVESTMENT TYPES

3.1 Shares and ETFs

Most transactions in publicly quoted shares take place on a regulated market or stock exchange e.g. London, New York or Tokyo, and are transacted via registered brokers.

3.2 Gilts and Bonds

For gilts and bonds there are no major stock exchanges as there are for shares. We normally specify our yield and or price target to market makers we use.

3.3 Mutual Funds (including unit trusts and OEICS)

When dealing in third party Mutual Funds we execute directly with the investment manager on terms negotiated at the commencement of the relationship.

3.4 Derivatives

We do not ordinarily deal in derivative instruments.

4 MONITORING AND REVIEWING VENUES

4.1 We regularly review all our execution venues in terms of the service that they provide. Although some execution venues also offer research or related additional services we view these additional services separately (and pay for them separately from our own resources) when making a decision on the right execution venue to use for the execution of any transaction.

4.2 We monitor all of our execution venues on an ongoing basis to ensure that they remain suitable for inclusion as one of our approved execution venues.

5 POLICY REVIEW AND PUBLICATION

5.1 We will keep this Order Execution Policy under constant review and carry out a formal review at least annually. We will publish an up to date version of the Order

Execution Policy on our website at www.cavendisham.co.uk. In the event our website is temporarily unavailable, copies may also be obtained from us by emailing info@cavendisham.co.uk.

6 SCOPE OF POLICY

6.1 Our execution policy covers all transactions that we carry out on your behalf either on a discretionary basis, non-discretionary basis or execution-only basis.

6.2 If you give us specific instructions relating to a transaction e.g. price, timing of transaction, execution venue etc those specific instructions will take priority over our execution policy. As a result we may not be able to obtain the best possible result for you.

7 SIGNIFICANT EXECUTION VENUES

These include:

- KING & SHAXSON LIMITED
- Northern Trust Securities LLP
- PIPER JAFFRAY LTD
- STIFEL NICOLAUS EUROPE LTD
- Robert W. Baird Limited
- Investec Bank plc
- JOH. BERENBERG, GOSSLER & CO. KG
- DAIWA CAPITAL MARKETS EUROPE LTD
- CLSA (UK)
- COWEN AND COMPANY LLC
- Jefferies International Limited
- NUMIS SECURITIES LTD

A full list is available on request.

IMPORTANT INFORMATION

This document is issued by Cavendish Asset Management Limited, authorised and regulated by the Financial Conduct Authority under firm reference number 116252.

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