



Best Execution Policy

As a firm, we are required, under the Rules of the Financial Conduct Authority and Markets in Financial Instruments Directive ("MiFID"), to take sufficient steps to achieve what is called "best execution" on a consistent basis. Broadly speaking, this means that where a transaction in a financial instrument is placed on behalf of a client, this must be done on the most advantageous terms possible. We are also required to provide you with a copy of the policy we adopt to achieve this objective, upon request.

Equilibrium Investment Management LLP ("Equilibrium", "we", "us" within the policy) have in place policies and procedures which are designed to achieve the best possible execution result.

Order Execution Policy

Equilibrium will apply the policy to each order with a view to obtaining the best possible result in accordance with the execution factors outlined below:

- Price;
- Cost of the transaction;
- Speed of execution;
- Likelihood of execution and/or settlement;
- Size and complexity of the order; and
- Characteristics and nature of the orders
- Other consideration relevant to execution of an order

For Retail Clients price will normally be the most important aspect in obtaining the best possible result. The above factors will be reviewed in relative importance to assess the 'Total Consideration' to the retail client. Total consideration is defined as the price of the financial instrument and the costs related to execution, including all expenses incurred which are directly related to the execution such as execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

For other clients, including when dealing within the Equilibrium funds, price will also normally be the most important aspect however other considerations to price may be taken into greater consideration such as size and complexity of large orders or if a large order will impact the price received.

The general principle across the range of instruments is that we will carry out an instruction as soon as is practically possible *unless* we have reason to believe that it would be more beneficial for our client(s) not to do so. Our overriding concern is to always try to obtain the best possible deal for clients.

Execution Entities

Equilibrium will maintain a choice of entities that we believe will enable us to obtain on a consistent basis the best possible result on behalf of our clients, we may update the list of executing entities when necessary.

The nature of the product or instrument that is to be traded as part of an order will determine the individual entities that we may be able to use to execute the order. For specific investments we may have access to only one type of entity or only a single entity.

Equilibrium shall only receive 3rd party payments that comply with MIFID II, we do not receive any payments in relation to deals placed on behalf of clients.

Equilibrium has reviewed the order execution policies of the below entities, where applicable, and full details can be provided upon request. We will review the policies if they are amended or our own policy is amended to ensure we are satisfied that the use of these entities continues to meet our best execution requirements.

Product Providers

Equilibrium provides a discretionary investment management service. As part of this service Equilibrium will transmit orders through the below product providers:

- The Nucleus Financial Services Limited Wrap Platform
- The Seven Investment Management Wrap Platform
- Transact
- IFSL

Collective Investments

In collective investments, where there is one execution venue in each case and the price paid or received will be that prevailing on the day the order is executed, Equilibrium use the Alphadesk system to create the orders; and these are then transmitted through Calastone Limited. If for some reason the system was not operational, we are able to trade by fax or telephone as a back-up.

Structured Products

Structured Products are executed on an 'over the counter' (OTC) basis with the product provider concerned, rather than on a centralised market exchange.

When striking a new product Equilibrium will approach a selection of at least three Structured Product Providers from the current panel. The providers will be compelled to offer competitive quotes as they will be competing for the new business. Equilibrium will select what they consider to be the best provider in this instance taking into consideration best rate, credit rating/outlook for the provider and current exposure to the provider.

When dealing Structured Products in secondary market where the provider will essentially make the market and be the only source of pricing Equilibrium will check the fairness of the price proposed. When executing orders or taking decisions to deal in OTC products, including bespoke products, Equilibrium will assess pricing compared to the pricing of similar products.

The order is executed by Equilibrium through the below entities:

- o JP Morgan
- o Morgan Stanley
- o Societe Generale
- o Credit Agricole
- o Citigroup
- o Natixis
- o BNP Paribas
- o Goldman Sachs

Equilibrium will select the most appropriate counterparties to make up the panel, considerations will include credit risk, outlook, available rates and diversification of current credit exposures. We may add to the panel and will make quarterly reviews of the panel.

Exchange Traded Funds

Can be executed on exchange or over the counter through market makers and brokers.

Orders can be executed by Equilibrium through the below entities:

- Crossflow Financial Advisors GmbH,
- Square Global

Although Equilibrium will use a single entity at any one time, the selected broker will provide a report comparing the prices against the prevailing exchange prices which can be checked for best execution requirements. Equilibrium records the price details including time and sales data from Reuters for the period of the trade. In

addition, Equilibrium is able to check against prevailing on- and off-exchange prices using the Tradeweb Request for Quote system.

Delivering Best Execution

Having given due regard to the instruction from the client and the execution factors, we will select the most appropriate execution entity from the list above and will execute the order accordingly.

Where a client has issued specific instructions which conflict with our best execution policy, we will follow the instructions provided which may not be in accordance with the policy. To this extent, we will be deemed to have complied with the best execution requirement in line with the nature of the instruction.

Where there is more than one competing venue, our own commissions and costs for executing that order will be taken into account in that assessment.

Equilibrium will not receive any commission when dealing within the range of Equilibrium OEICs.

Ongoing Review and Amendment

An overall assessment of the execution policy will be carried out on an annual basis or at such time a material change occurs that may affect Equilibrium's ability to obtain the best possible result for the execution of its client orders on a consistent basis.

Ongoing consideration will be given to the steps that Equilibrium takes to obtaining the best possible result, including:

- The use of additional or different execution entities;
- Assignment of the relative importance to the best execution factors;
- Modifying other aspects of the (execution) policy and/or arrangements.

Oversight of the execution policy will be taken by the Investment Management Committee who will ultimately decide on any material changes proposed to the execution policy.

If any material changes occur to the way we execute orders we shall notify clients of the execution arrangements. Equilibrium consider a material change to be an alteration of the best execution factors, a change or amendment to the list of execution entities would not be deemed a material change.

Monitoring

Equilibrium, through their internal compliance team, will initially conduct a risk-based review of selected transactions to establish whether the best execution policy has been complied with.