

SBI Shinsei International Limited Order Execution Policy

1. Objectives

This policy aims to provide guidance on best execution in relation to SBI Shinsei International Limited's ("SBISIL" or the "Firm") approach to providing best execution as required by the Financial Conduct Authority ("FCA").

2. Underlying Regulation

SBISIL is authorised by the FCA to provide investment services in the United Kingdom and as such is required to comply with the FCA's Rules on 'best execution' as set out in the FCA Handbook, COBS 11.2A. These require that SBISIL must take all sufficient steps to obtain, when executing orders, the best possible results for its clients taking into account the execution factors, see section 4 below.

The FCA also expects firms to have in place appropriate arrangements including controls, monitoring and management supervision, to obtain the best available terms.

3. Scope

The best execution obligation applies to SBISIL where it executes orders in financial instruments in the following circumstances:

Where SBISIL:

- Executes an order on behalf of clients, including where the Firm is dealing on a back-to-back principal basis
- Transmits orders to third parties, and
- Where we otherwise agree to provide best execution.

It applies to:

- On-Exchange transactions
- Off-Exchange transactions, and
- OTC transactions

4. Execution Factors and Criteria

The execution factors to be taken into account are:

- Price
- Costs
- Speed of execution
- Likelihood of execution and settlement
- Size
- Nature, and
- Any other consideration relevant to the execution of the order.

Notwithstanding this there will be certain situations and criteria in which the relative importance of these factors will change these include:

- The categorisation of the client, the order
- The characteristics of the client order
- The characteristics of the financial instruments
- The characteristics of the execution venues to which the order can be directed.

In meeting the obligation to take sufficient steps to obtain the best possible result when executing orders on behalf of clients, we may execute on trading venues which include regulated exchanges and third-party trading platforms, and with our affiliates where we act as back-to-back principal. Where there is only one possible execution venue for a financial instrument, in executing an order on behalf of client in such circumstances, SBISIL will be deemed to have provided best execution by executing the order on that execution venue.

As a general principle across all products and services SBISIL aims to use its commercial judgement and experience based on available market information and to take all sufficient steps to obtain the best possible result for its clients.

5. Circumstances when Best Execution does not apply

Best execution does not apply when:

- SBISIL is dealing with clients categorised as eligible market counterparties
- When the client transmits his orders to a trading platform via DMA, SDMA or clients' own algorithm
- When the Firm receives specific instructions from a client as to how we should execute an order (or a particular aspect of the order, including instructions on a particular execution venue, at a particular time, or at a particular price). Whenever there is a specific instruction from clients, we will execute the order following the specific instruction.

It should be noted that Specific instructions from clients may prevent us from following the steps we have designed in our order execution policy to obtain the best results for clients. If we are not able to follow specific client instructions we will not accept that order.

6. Monitoring and Controls

SBISIL monitors and reviews the effectiveness of its Order Execution Policy at least annually and whenever a material change occurs that might affect the Firm's ability to obtain the best possible result for the execution of its client orders on a consistent basis using the venues in its Order Execution Policy, and on an ongoing basis to ensure that best execution is provided consistently and to identify and appropriate changes necessary to the SBISIL policy.