

# Veritas Investment Partners (UK) Limited Order Execution and Dealing Policy

## What is the purpose of this policy?

Best Execution is a regulatory requirement, and this document sets out the arrangements that Veritas Investment Partners (UK) Limited ("VIP (UK) Ltd") has established to take sufficient steps to obtain the best possible result for its clients when transmitting orders for execution.

## Who does this policy apply to?

This policy applies to both retail and professional clients.

## How are trades constructed?

### Discretionary Clients

#### WBS/SEI

For clients where we utilize the custody and administration outsourced service by agreement with SEI Investments (Europe) Limited and SEI Investments (Guernsey) Limited ("SEI"), or where the client has appointed their own global custodian (other than Pictet & Cie (S.A.) ("Pictet")), orders are constructed as follows:

For equities, bonds, exchange traded funds and investment trusts orders are routed to VIP (UK) Ltd's appointed broker, Winterflood Business Services ("WBS").

For funds, the SEI platform called SWP routes instructions, either electronically (straight through processing) or manually, depending on the connectivity with the broker/sub-custodian and the nature of the order. SEI routes orders for any Collective Investment Schemes ("CIS"), such as OEICs or Unit Trusts, to the applicable Fund Manager and/or Transfer Agent via its platform network.

#### Pictet

VIP (UK) Ltd creates and communicates order instructions to Pictet. Pictet utilises its trading teams around the globe to execute trades: UK trades are executed in London; European (ex-UK) trades are executed in Geneva; North American trades are executed in Montreal; and Asian trades are executed through the Hong Kong and Singapore trading desks. Pictet routes orders for any CIS, such as OEICs or Unit Trusts, to the applicable Fund Manager and/or Transfer Agent via its platform network.

VIP (UK) Ltd has a book of discretionary clients who enter into a separate agreement with Pictet as their appointed custodian (in Switzerland and/or Luxembourg). As part of the service provided by Pictet, the client also appoints them as the broker for dealing on their portfolios.

## Funds

### Protea

VIP (UK) Ltd has been appointed by Fund Partner Solutions (Europe) S.A., the management company to act as the investment manager of the Protea Core Equity and High Equity Funds. VIP (UK) Ltd's role in relation to dealing activity is limited to transmitting client orders for onward execution. The fund and its management company have outsourced dealing activity in relation to Protea SICAV Sub-Fund portfolios to Pictet.

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### Veritas Investment ICVC

VIP (UK) Ltd has been appointed by Thesis Unit Trust Management Limited, the Authorised Corporate Director ("ACD") to act as the investment manager of the Veritas Investment ICVC. VIP (UK) Ltd's role in relation to dealing activity is limited to transmitting client orders for onward execution. VIP (UK) Ltd has outsourced Dealing activity in relation to the Veritas Investment ICVC to Northern Trust Securities LLP ("NT").

## Best Execution

### WBS

WBS is a service division of Winterflood Securities Limited which is wholly owned by Close Brothers Group PLC. WBS has been appointed as VIP (UK) Ltd's approved broker.

When WBS receives instructions to place a trade, WBS will take a number of steps depending upon the type of instruction VIP (UK) Ltd has transmitted to WBS via SWP. When executing orders, unless otherwise specifically instructed, WBS will use price as the primary measure for achieving best execution.

When WBS is determining the approach to achieve best execution, it will consider the following factors. These are listed in the order of priority for a typical trade.

Execution factors:

- Price and cost
- Likelihood of execution
- Likelihood of settlement
- Size and nature of the Instruction
- Speed of execution
- Market impact

When executing a trade, WBS does not only consider these factors in isolation, but also considers the trade-off and interplay between them.

### **Specific Instructions**

Where VIP (UK) Ltd gives WBS a specific instruction, WBS is obliged to follow that instruction and thus may not be able to follow its usual process to achieve best execution. However, if the specific instruction only relates to part of the order, WBS will follow its usual process for the other parts of the order.

### **Aggregation**

WBS may combine VIP (UK) Ltd's orders with orders for the account of other clients, or for its own account (including in relation to fractional orders). The aggregation of orders may operate on some occasions to a VIP (UK) Ltd's (or its customers') advantage and on some occasions to VIP (UK) Ltd's (or its customers') disadvantage in relation to a particular order. The decision to aggregate will be taken in WBS's sole discretion and where orders have been aggregated, they will be allocated to VIP (UK) Ltd on a pro-rata basis in accordance with the WBS order allocation policy.

### **Policy Consent**

Where VIP (UK) Ltd trades with WBS having received a copy of its order execution policy, that trading will constitute consent to the content of that policy.

While it is WBS's intention to always trade on a Trading Venue, in certain circumstances it may be in VIP (UK) Ltd's best interests to trade away from a Trading Venue. To allow this WBS will require VIP (UK) Ltd's express consent to trade in this way.

Consent provided in relation to either of the above two paragraphs will cover all trading going forward between WBS and VIP (UK) Ltd.

### **Trading arrangements for different types of investment**

WBS may use one or more of the execution venues listed below to enable it to obtain the best possible outcome on a consistent basis when executing an order on VIP (UK) Ltd's behalf. WBS will regularly assess the execution venues available to ensure it is able to consistently obtain the best outcome for clients.

### **Equities**

For smaller orders WBS are able to use automatic execution technology which will source the best bid and offer from a range of retail service providers and market makers. They then execute electronically with the provider which offers the most competitive price, with consideration to the factors noted above.

For larger order sizes, WBS will use due skill and care to execute the order manually in the best interests of the client.

For orders in respect of international equities, WBS will reference the price to the home market price and execute with our internal market-making business or third-party broker. Where orders involve elements such as home market or non-standard settlement and/or foreign exchange, these elements will be reflected accordingly.

## Fixed Income

For smaller orders, WBS are able to use automatic execution technology which will source the best bid and offer from a range of bond dealers. For larger orders, they may have to deal manually in order to identify current venues in the security concerned. If liquidity is available and a price comparison made for the size of trade concerned, they will execute the order with the counterparty which provides the most competitive overall pricing.

## Order Types

The following order types are available:

**At Best Order** - Deal immediately at the best available price for that size of order based on the execution venues available, without the client viewing the price in advance.

**Limit Order** - Deal at, or better than, the specified minimum price for sales or a specified maximum price for purchases.

## Equity, Bond, ETP and Investment Trust Instructions Traded in the UK

For these orders, WBS will use its technology to assess the prices provided by a number of Retail Service Providers (RSP) and Market Makers that it has selected. Typically, it will then execute the trade electronically with the provider which offers WBS the most competitive price, with consideration also given to the other factors laid out below.

## Equity, Bond, ETP and Investment Trust Instructions Traded Internationally

For these orders, WBS will execute the trade with its internal market making business or a third-party broker where appropriate. VIP (UK) Ltd's order will typically be executed electronically using WBS's automated technology. Where WBS executes with its internal market making business, it has negotiated competitive pricing to ensure that VIP (UK) Ltd's order is executed at the same price or better than the standard price available to the market.

## How long will it take to execute VIP (UK) Ltd's Instruction?

### Speed of Execution

WBS's execution process is designed to ensure VIP (UK) Ltd's orders are executed as quickly as possible using its automated technology. This typically occurs within a few seconds. In some instances, WBS may not be able to execute VIP (UK) Ltd's order through its automated technology. This may be due to a number of issues, such as the size of the order or the frequency with which the security is traded. In these scenarios WBS will contact Market Makers to execute VIP (UK) Ltd's order manually.

### Order Execution Timeliness

WBS will execute the client order as soon as reasonably practical in order to achieve timely execution. They may postpone the execution of the order if they have taken reasonable steps to prove that the delayed execution is in the client's best interests.

## Order Priority

Client orders will normally be executed in the same sequence as they are received, except where there are special conditions, such as price limits or limited liquidity, where such conditions might require extra time to ensure we achieve Best Execution.

## How do Client Instructions impact Best Execution?

Where you give us specific Instructions with regard to the execution of an order, we will transmit the order for execution in accordance with those specific Instructions. If your Instructions relate to only part of the order, we will continue to apply this order execution policy to those aspects of the order not covered by your specific Instructions. You should be aware that providing specific Instructions to us in relation to a particular order may prevent us from obtaining the best possible result in respect of the elements covered by the Instructions.

## Execution Venues

All transactions, except those in Unit Trusts, Unlisted Fixed Income, other OTC instruments, OEICs and some International Securities, will be carried out and reported to an appropriate venue as detailed below and will be subject to the rules and regulations of that market.

When selecting execution venues, WBS consider the price offered by the venue, the amount of any commissions and any other charges that are passed through to the client, the ability of the venue to manage complex orders including the sophistication of its systems, the speed of execution, the creditworthiness of the venue, settlement and clearing facilities, the quality of applicable regulation and any other venue characteristics relevant to the execution of the order.

If WBS execute an order away from a Trading Venue, the trade is not subject to the rules of the relevant venue. This may result in additional risks such as delayed settlement.

The following is a non-exhaustive list of execution venues that WBS places significant reliance on, either directly or indirectly (via a third party) for the purpose of trading, price reference or trade reporting. WBS reserves the right to alter these venues from time to time.

	Execution Venue	Price Reference Venue / Third Party Broker
London Stock Exchange	✓	✓
<b>European Main Exchanges</b>		
Deutsche Bourse		✓
Euronext		✓
Irish Stock Exchange		✓
Aquis Stock Exchange	✓	✓
<b>MTFs</b>		
Bloomberg MTF	✓	✓
BATS Europe	✓	✓
CHI-X		✓
Turquoise		✓

	Execution Venue	Price Reference Venue / Third Party Broker
<b>Systematic Internalisers</b>		
Flow Traders	✓	
Jane Street Financial	✓	
Susquehanna	✓	
<b>European Secondary Exchanges</b>		
German Regional Exchanges		✓
Italy		✓
Spain		✓
Switzerland		✓
<b>United States of America</b>		
AMEX		✓
Nasdaq		✓
NYSE		✓
<b>Canada</b>		
Toronto		✓
Vancouver		✓
Venture Exchange		✓
<b>Market Makers/Brokers/Liquidity Providers</b>		
Canaccord Securities	✓	
Flow Traders B.V.	✓	
Investec Bank	✓	
Jane Street Financial Limited	✓	
Jefferies International Limited	✓	
N+1 Singer	✓	
Numis Securities	✓	
Panmure Gordon Limited	✓	
Peel Hunt	✓	
Phillip Securities		✓
Shore Capital	✓	
Stifel Nicolaus Europe Limited	✓	
Susquehanna	✓	
Virtu Financial	✓	
UBS Switzerland AG		✓
Winterflood Securities Limited	✓	✓

## Cost of Execution

Costs associated with dealing may include, but are not limited to, trade execution, stamp duty and any local market charges. These will be added to the cost or deducted from the proceeds of each transaction. These charges are itemised on your valuation schedule.

## Pictet

VIP (UK) Ltd's order instructions shall be formulated on the basis that it shall be Pictet's obligation to undertake best execution obligations. Pictet will take all sufficient steps to obtain the best possible result when executing orders for VIP (UK) Ltd, and in accordance with the terms of its Order Execution Policy, Pictet will take into account the following execution criteria and execution factors, subject to specific instructions described above.

The factors taken into consideration are:

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

Total consideration of price and cost will ordinarily merit a high relative importance in obtaining the best possible result. However, under special circumstances Pictet may determine that other execution factors shall have the same importance or shall have precedence over price in obtaining the best possible result.

## Specific Instructions

If VIP (UK) Ltd gives Pictet a specific instruction (e.g., a limit, care or stop loss), Pictet will execute the trade in accordance with these instructions. Pictet dealers shall warn VIP (UK) Ltd that it will execute the order as per the specific instructions and that Pictet is relieved of any best execution obligations.

## Execution Venues

Pictet may use one or a combination of the following execution venues in accordance with its Order Execution Policy:

Trading venues

- Regulated markets (RM)
- Multilateral trading facilities (MTF)
- Organised trading facilities (OTF)

Executing venues

- Systematic internalisers
- Other securities dealers or financial counter parties located within or outside of Europe
- Other entities of the Pictet Group acting as banking counterparts or market maker, such as Banque Pictet & Cie SA, Pictet Canada S.E.C. (Canadian markets) and Pictet Overseas (US markets)
- Other liquidity providers

The following is a non-exhaustive list of execution venues and counterparties where Pictet reasonably believes it can achieve on a consistent basis the best possible result. Pictet reserves the right to alter these venues from time to time.

Asset Classes	Execution Venues	
<b>Equities – Shares &amp; Depository Receipts</b>	SIX Euronext Paris Euronext Amsterdam Deutsche Bank BATS- Chi-x	Pictet Canada Pictet Global Market Ltd ITG Citigroup
<b>Debt Instruments</b>	<b>Bonds</b> SIX Barclays Group Citigroup UBS Investment Bank JP Morgan Bank of America Merrill Lynch HSBC Credit Suisse Goldman Sachs BMTF Tradeweb MarketAxess	<b>Money Markets Instruments</b> BNS BMTF Tradeweb MarketAxess SIX Barclays Group Credit Suisse Goldman Sachs

### Cost of Execution

For discretionary clients, dealing charges are integrated into the overall fee that clients pay to Pictet as detailed in their agreement.

For the Protea fund, the terms for cost of execution shall be determined pursuant to the Brokerage Agreement between the fund and the management company with Pictet to which Pictet's Order Execution Policy shall refer.

Pictet, in accordance with its Order Execution Policy, will take into account the costs related to the execution; as a consequence, Pictet chooses an execution venue representing the most limited costs. Pictet may however derogate from this principle when this has obvious benefits for the client e.g., complete execution of size within limited market impact, probability of execution and settlement.

Protea Fund SICAV and the Management Company shall provide information in relation to the cost of execution to VIP (UK) Ltd insofar as is reasonably necessary in order to enable VIP (UK) Ltd to comply with its obligations to ensure compliance with FCA Rules and/or MiFID provisions, as may be notified by VIP (UK) Ltd from time to time.

### NT

VIP (UK) Ltd's order instructions shall be formulated on the basis that it shall be a NT obligation to undertake best execution obligations. NT will take all sufficient steps to obtain the best possible result when executing orders for VIP (UK) Ltd, and in accordance with the terms of its Order Execution Policy, NT will take into account the following execution criteria and execution factors.



- Price
- Speed and/or likelihood of execution and settlement
- Size and nature of the order
- Impact on market prices of displaying and/or executing an order or part of an order
- The availability of price improvement
- The nature of the specific Financial Instrument including whether it is executed on a regulated Market, MTF, OTF or over the counter (“OTC”) and
- Any other consideration relevant to the efficient execution of the order

### Specific Instructions

Where NT receive specific instructions from VIP (UK) Ltd including in relation to a particular aspect of a transaction (for example, where we instruct NT to execute the order on a particular venue, at a particular time or at a particular price), NT must execute the transaction (or aspect of the transaction as appropriate) accordingly and, by doing so, will have satisfied any obligation to provide Best Execution in relation to that aspect of the order only. This is also the case where NT transmits an order to another entity for execution following a specific instruction from the client. It should be noted that where we provide a specific instruction this may prevent NT from taking steps that are designed and implemented to obtain the best result for the execution of those orders in respect of the elements covered by those instructions.

### Execution Venues

NT will select the execution venues, with and through whom they execute client orders, which enables them to obtain on a consistent basis the best possible result for clients. NT may use one or a combination of the following execution venues in accordance with its Order Execution Policy:

- **Regulated markets**
- **Organised multilateral venues** including multilateral trading facilities (“MTF”) and organized trading facilities (“OTF”)
- **Organised bilateral venues** including Systemic Internalisers (“SI”) which execute client orders by dealing on their own account
- **Other bilateral venues** including market makers and other liquidity providers acting either as a principal for their own account or broker for the account of their clients. These can include NT affiliates dealing as principal in certain classes of instrument
- **NT own internal sources of liquidity** including ad-hoc crossing opportunities between clients which while arranged on an over-the-counter basis may, as appropriate, be brought On Exchange wherever possible through the use of On Exchange Trading Reporting services

The execution venues listed below are not exhaustive and are subject to change.

Execution Venues		
<b>Regulated Markets</b>	Aquis Stock Exchange Cboe Europe Equities Regulated Market Euronext London London Stock Exchange SIX Swiss Exchange (Switzerland) Euronext Amsterdam Euronext Dublin Euronext Paris Frankfurt Stock Exchange Xetra	Bolsa de Madrid Borsa Italiana NASDAQ NYSE Toronto Stock Exchange ASX Australia Singapore Exchange Stock Exchange of Hong Kong Tokyo Stock Exchange
<b>MTF</b>	Aquis MTF Aquis Exchange Europe Virtu ITG POSIT Ireland Cboe Europe Equities MTF BXE Periodic Auctions Instinet Blockmatch – RFQ	Virtu ITG POSIT - Periodic Auction (Ireland) AIM MTF Non-AIM MTF Sigma X MTF – Auction book Turquoise

### Cost of Execution

For the Veritas Investment ICVC, the terms for cost of execution shall be determined pursuant to the NT Terms of Business Agreement between VIP (UK) Ltd and NT.

NT, in accordance with its Order Execution Policy, will take into account the costs related to the execution; as a consequence, NT chooses an execution venue representing the most limited costs. NT may however derogate from this principle when this has obvious benefits for the client e.g., complete execution of size within limited market impact, probability of execution and settlement.

NT shall provide information in relation to the cost of execution to VIP (UK) Ltd insofar as is reasonably necessary in order to enable VIP (UK) Ltd to comply with its obligations to ensure compliance with FCA Rules and/or MiFID provisions, as may be notified by VIP (UK) Ltd from time to time.

### How frequent are VIP (UK) Ltd's periodic reviews?

VIP (UK) Ltd reviews this Order Execution and Dealing Policy at least annually. Such a review will also be carried out whenever a material change occurs.

If any material changes occur to this Policy, an updated policy is made available on the firm's website [www.veritasinvestment.co.uk](http://www.veritasinvestment.co.uk).

### What does VIP (UK) Ltd monitor in respect of the order execution arrangements?

VIP (UK) Ltd monitors the effectiveness of this policy to identify and, where appropriate, correct any deficiencies. Specifically, VIP (UK) Ltd assesses whether the execution venues employed and included in this policy provide the best possible result for its clients or whether it needs to make changes to its execution arrangements.

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