Order Execution Policy
Netwealth Investments Limited, March 2019

1.0 Introduction
The purpose of this Order Execution Policy document ("Policy") is to provide clients of Netwealth Investments Limited ("Netwealth") with information about its policy for execution of trade orders on behalf of clients.

This Policy outlines all sufficient steps that are taken by Netwealth to ensure that we achieve ‘Best Execution’, which is obtaining the best possible results for our clients when investing their assets.

Netwealth’s core business is discretionary investment management for client investment portfolios. Each client will have one or more investment portfolios, each of which will be invested by Netwealth in accordance with the client’s choice of risk level for that portfolio.

Netwealth does not execute transactions itself; rather it places orders on behalf of its clients via third party firms. Netwealth will handle all client orders in accordance with this policy and will take sufficient steps to obtain the best possible result for clients.

2.0 Scope
Netwealth clients are predominantly classified as Retail clients (i.e. not Professional clients or Eligible Counterparties) in accordance with FCA requirements, but regardless of classification we will treat all clients as Retail clients for the purposes of achieving best execution.

3.0 Client Orders
Netwealth acts as discretionary manager for its clients and therefore the timing of the transmission of orders will be at our discretion.

4.0 Aggregation of Orders
We may aggregate orders we place on your behalf with orders we place on behalf of other clients. We will only do so in circumstances where it is unlikely that the aggregation will be to the overall disadvantage of clients. However, it may be the case that aggregation works to your disadvantage for a particular transaction.

5.0 Order Routing
SEI Investments (Europe) Limited ("SEI") acts in the capacity of primary order router for Netwealth. The SEI Wealth Platform ("SWP") allows Netwealth to aggregate client orders and instruct pooled trades. This is applicable for orders in equities, exchange-traded funds, bonds and collective investment schemes. After initial aggregation, orders are routed to the relevant Approved Entity either electronically (straight-through processing) or manually, depending on the connectivity with the counterparty and the nature of the order.
Netwealth may route orders using systems other than SWP. Netwealth will exercise due skill and diligence in the selection of all parties and systems used for order routing.

6.0 Order Allocation
Trade allocation post settlement takes place in SWP. Trades are allocated promptly and accurately in the order that the trade confirmation was received by SEI, whereupon SWP automatically allocates partially-filled orders on a pro-rata basis. Where there is a trade that cannot be equally split, SWP will allocate the odd amount to the largest client trade and any allocation exceptions are monitored by SEI as part of their daily trade review process.

7.0 Order Execution by Winterflood Business Services
Winterflood Business Services (“WBS”), a service division of Winterflood Securities Limited which is wholly owned by Close Brothers Group PLC, provides order execution services for valid equity, exchange-traded fund and bond trade orders routed via SWP. Orders are automatically routed from SWP to WBS for execution using FIX connectivity.

WBS takes a number of steps depending upon the type of trade instruction transmitted:

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

7.2 Instructions Traded Internationally
For these orders, WBS executes the trade with its internal market making business or a third-party broker where appropriate. Each 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 Netwealth’s order is executed at the same price or better than the standard price available to the market.

7.3 Specific Instructions
Where Netwealth has provided a specific trade order 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. This may apply where Netwealth is submitting an order on behalf of a client on an execution-only basis, according to the client’s specific instructions.

7.4 Execution Factors
When WBS is determining the approach to achieve best execution, it will consider the following factors, listed in order of priority for a typical trade:

- **Price and cost** – Determined by WBS with reference to the execution venues to which it connects. WBS will incur exchange trading fees including execution fees, stamp duty and where applicable local market costs, and will pass these on. Netwealth has agreed commission rates which they will pay and will not pass on to clients.
- **Likelihood of the order being executed and settled** – Typically the likelihood of execution is very high due to the liquidity that WBS obtains through the market and settlement via CREST.
• **Size and Nature of the Instruction** – The size of a trade in relation to the liquidity of the stock may have influence on the execution process. Equally, consideration will be given to the liquidity of the stock on the order book. Netwealth typically trades liquid underlying instruments.

• **Speed of the execution and settlement** – This may differ between trading venues and between instruments. WBS’s execution process is designed to ensure that orders are executed as quickly as possible using automated technology. This typically occurs within a few seconds. In some instances, WBS may not be able to execute an 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 use due skill and care to execute the order manually via direct contact with market makers.

• **Any other consideration that is relevant to the execution of the order, including its market impact.**

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

### 7.5 Execution Venues

WBS will carry out and report all transactions, except those in unit trusts, unlisted fixed income securities, other OTC instruments, open-ended investment companies and some international securities, to an appropriate venue and will be subject to the rules and regulations of that market.

When selecting execution venues, WBS considers 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.

Full details of the execution venues on which WBS places significant reliance can be found in the WBS Order Execution Summary document on their website:


### 8.0 Order Execution for Collective Investment Schemes

For the vast majority of collective investment schemes (“CIS”), including Open-ended Investment Companies and Unit Trusts, there is no secondary market and there is a single valuation point daily. Netwealth and SEI regard speed, timeliness and certainty of execution (i.e. the ability to ensure that an order is executed in a timely manner, receiving the next available valuation point after being received by SEI) as the most important execution factors for this type of financial instrument.

When trading CIS, Netwealth will transmit orders to Cofunds or All Funds, although orders may be transmitted to other brokers as necessary in order to process a trade in a particular instrument. All brokers are selected on the basis of demonstrating standards and controls that are consistent with this Policy.

### 9.0 Order Execution by other Brokers

Netwealth may engage other brokers besides those mentioned in this Policy, for example when accessing specific instruments or to achieve more cost-effective or operationally efficient execution of orders. Any appointed broker will be selected following completion of a due diligence process ensuring that the standards and controls applied will be consistent with this Policy.
Netwealth is satisfied that we select brokers that provide ‘Best Execution’ in accordance with FCA regulations and have established and implemented order execution arrangements as set out in this Policy that enable us to obtain on a consistent basis the best possible result for our clients.

10.0 Monitoring and Review
Netwealth will monitor compliance with, and the effectiveness of, this Policy on an ongoing basis.

Netwealth will regularly assess its brokers, counterparties and service providers to ensure that they continue to enable us, on a consistent basis, to obtain the best possible result when executing orders. The brokers to which we transmit orders may change over time to reflect the results of our monitoring and review process.

Netwealth will undertake a review of this Policy at least annually, or whenever a material change occurs that may affect the Policy our ability to obtain the best possible result for clients on a consistent basis. Netwealth will notify clients of any material changes to this Policy by posting an updated version of the Policy on our website. However, clients may also request a copy of the up-to-date policy at any time by contacting the Head of Compliance.

11.0 Consent
By agreeing to all applicable terms of business and submitting your Client Account Application, you are providing your express consent to the terms of this Policy, as referenced within our General Terms & Conditions.

Should you require further information or assistance in relation to this Policy, please contact the Head of Compliance.