

PHILLIPCAPITAL BEST EXECUTION POLICY

Phillip Capital Limited ABN 14 002 918 247 AFSL 246827 and

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1 Introduction

When PhillipCapital (“**we, our**”) executes orders in relation to Equity Market Products on your behalf, we are obligated to obtain the best outcome when handling and executing those orders (“**Best Execution**”). This applies to both retail and wholesale clients. PhillipCapital’s Best Execution Policy outlines how we meet this obligation.

Equity Market Product means:

- (a) shares,
- (b) managed investment schemes,
- (c) a right to acquire, by way of issue, a share or managed investment scheme, and
- (d) a CHESS Depositary Interest,

admitted to quotation on ASX or Cboe.

1.1 Specific Instructions

Where a retail client provides instructions in relation to handling and executing an order that is inconsistent with PhillipCapital obtaining Best Execution, we will take reasonable steps to handle and execute the order to satisfy those instructions. This may result in the client not obtaining Best Execution. Instructions must be:

- clear and unambiguous;
- in writing or provided verbally; and
- Specific to a single order (i.e. not a standing instruction).

1.2 Wholesale Client Specific Instructions

Where a wholesale client provides as instruction in relation to handling and executing an order that is inconsistent with PhillipCapital obtaining Best Execution, we will take reasonable steps to handle and execute the order to satisfy those instructions. This may result in the client not obtaining Best Execution. Instructions must be:

- (a) clear and unambiguous; and
- (b) in writing or provided verbally.

Wholesale clients may provide specific order by order instructions or a standing instruction in respect of handling and execution of orders. If a wholesale client provides a standing instruction in respect of handling and execution of orders, that standing instruction:

- will be periodically reviewed by PhillipCapital to ensure that it remains possible for us to satisfactorily perform the instruction; and
- is only valid for a period of 12 months from receipt.

The instruction to opt out of Best Execution protection applies for **up to 12 months** from the date the instruction was received by PhillipCapital. The instruction must be renewed by the client.

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2 Handling and Execution of Orders

Best Execution obligation applies from the moment an order is received from a client right through to settlement of the transaction. Throughout the process, PhillipCapital will take reasonable steps to obtain Best Execution for its client.

2.1 Transmitting Orders to Order Books

The table below set out how all client orders will be transmitted to the execution venues:

Best Market Router (BMR)	<p>Generally, client orders will be transmitted to an execution venue via the BMR.</p> <p>The BMR automates routing of orders utilising real time market depth information from available markets. The following table outlines the BMR execution venue priority.</p> <ul style="list-style-type: none">• Cboe CentrePoint• ASX CentrePoint• Cboe• ASX• Any remaining volume will be posted to the ASX as a passive order. <p>As a general rule, an order will not be re-transmitted once the remaining volume has been posted to the ASX as a passive order.</p>
Manual Entry	<p>Where a DTR has received an order and deems that manually transmitting the order will achieve Best Execution, the DTR will manually transmit the order by choosing either one or more execution venue. Any remaining volume will be posted to the ASX as a passive order.</p> <p>As a general rule, order will not be re-transmitted once the remaining volume has been posted to the ASX as a passive order.</p>

2.2 Market Outages

When PhillipCapital experiences a system failure or other circumstances that affect our ability to transmit orders to an execution venue, we may execute orders in a manner that differs from our Best Execution arrangements. PhillipCapital will make every effort to execute orders on the best terms available.

In the unforeseen circumstance of the outage of an execution venue, the following action will be taken:

BMR	The default market for the BMR is ASX. Therefore, if ASX is still open, orders will be transmitted to the ASX. If ASX is not available, all orders will not be transmitted to an execution venue.
Manual Entry	A DTR may transmit an order to any execution venue still open where they believe Best Execution can still be achieved.

2.3 Pre-trade Transparency

Under a pre-trade transparency exception in accordance with the ASIC MIRs, orders may be matched and reported to the execution venue of a Relevant Exchange as Trades With Price Improvement. The circumstances in which this may occur include but are not limited to price improvement, volume improvement and/or managing market impact.

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2.4 Differing trading hours and Opening/Closing Mechanisms

The ASX and Cboe have different opening and closing mechanism. This means that one market may be trading whilst the other is not. This section details how orders will be handled in these circumstances.

BMR	The BMR will pass all orders received outside Normal/Continuous Trading hours to the ASX until the ASX is in Normal Trading.
Manual Entry	Where a DTR uses Manual Entry to transmit an order in line with this policy, they may transmit it to any available execution venue during any Market Phase to achieve Best Execution.

3 Material Changes to our Best Execution Policy

Each time there is a material change to PhillipCapital’s Best Execution Policy, we will disclose a summary of those changes to clients as soon as practicable after the change occurs.