

Salisbury Partners LLP
Best Execution Disclosure Statement

Purpose of the statement

You are a client of ours to whom we provide investment services. In the course of providing these services we undertake transactions in investments for you. When we do so we aim to achieve the best possible result for you in terms of the cost of the investments, the associated costs of the transaction and other factors that may be relevant in the context of the specific transaction. The rules which govern the manner in which we aim to achieve the best possible result are described by the Financial Conduct Authority as "best execution" rules.

We shall consider a range of factors in aiming for best execution. Although cost is the most important factor, depending on the transaction concerned we may also take into account:

- the need to move quickly;
- the nature of the service we provide to you and any general or specific instructions you have provided to us;
- the likelihood of being able to effect the transaction in a given venue;
- how easy or difficult it is to deal in the investment;
- the size and nature of the order; and
- the impact of the transaction on the market.

To enable us to achieve the best possible result for you on a consistent basis we have developed a "best execution" policy backed up by internal procedures.

The purpose of this statement is to provide information to you on the essentials of our policy to enable you to understand our approach to "best execution" and to allow you, if you wish, to compare our approach with that taken by others.

General considerations

Our best execution policy has underlining it a number of general principles. These are:-

- depending on what we think is in your best interests we may effect transactions for you either in the case of open-ended collective investment schemes by dealing directly with the managers or in market transactions by appointing brokers or other intermediaries to deal on our and so your behalf. In both cases we aim to achieve the best possible result for you on a consistent basis and where we do appoint others we shall monitor their performance to make sure they come up to the required standards;

- we shall take into account our knowledge of your understanding and experience of the financial markets, the types of transactions and dealings reflected in the way we have agreed with you that your portfolio will be managed or that dealing services will be provided and any general instructions you may give to us as to how we prioritise the effecting of transactions for you. Where general instructions have not been given (for example in the case of discretionary mandates) we shall use our discretion;
- our overall policy is as far as possible to aim to achieve the best possible result by exercising the same standards and operating the same processes across all the different markets on which we effect transactions for you and in respect of all the different financial instruments involved. We shall though of course take into account the significant differences that may arise as to the best way of dealing with specific transactions. For example in some markets price volatility may mean that the speed of effecting a transaction is a priority. In other markets, where it is difficult to deal, merely effecting the transaction may be the best possible result. In other cases our choice of who to transact with may be limited - for example for some investments in collective investment schemes there may only be one person to deal with (the fund manager).

Our process for delivering the best possible result

Our process for delivering the best possible result can be summarised as follows:-

- our starting point is to follow the procedures in our internal best execution policy. The first step in these procedures is to assess the relative importance in relation to the transaction concerned of price, costs, speed, likelihood of execution and settlement, size and nature of the transaction and other relevant considerations;
- if you are a retail client considerations of price and cost are given precedence unless any of the other listed factors will in the specific transaction concerned be of importance in terms of providing the best possible result for you;
- in determining the relative importance of the listed factors we take into account:-
 - i) how important it is for you to achieve the transaction quickly and whether in the circumstances speed may be as or more important than achieving the best possible price;
 - ii) whether using a particular market, exchange or other execution venue may bring with it a risk that the transaction may not be effected which risk we shall then need to balance against the relative costs of the transaction as compared to other execution venues;
 - iii) the size of the transaction. Large orders may have to be dealt with differently to small orders particularly where large orders could have the potential to impact on the market and market price for the investments concerned. In addition, there may be a need for large orders to be filled over a period;

- iv) the nature of the transaction. A straight forward transaction in listed equities puts us in a position where there are likely to be a number of competing venues and so price is likely to be the most important factor. A transaction in an unregulated collective investment scheme (such as most hedge funds) is likely to have a very limited source of purchase or as appropriate redemption so actually doing the transaction is likely to be as important a consideration as price;
- we shall assess in each given case whether we are more likely to achieve the best possible result by dealing directly with the market or by using an intermediary such as a broker/market maker;

The execution venues on which we place significant reliance

We shall normally delegate the execution of market transactions to our preferred brokers Mirabaud Securities Limited, Winterflood Securities Limited and Numis Securities Limited. Our brokers tend to rely on and use most often the following execution venues but these are only examples:-

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|---------------------------------|--|
| Listed cash equities | LSE / Plus Markets / Proquote Best Execution Engine/ NYSE Euronext / Deutsche Borse - Xetra / OMX Nordic Exchange / Bolsa de Madrid / Nasdaq |
| Listed debt instruments | LSE/Bloomberg Bond Trader / Bondscape / ISMA Eurobond Market |
| Collective Investment Schemes | HSBC Institutional Fund Services Ltd / Fund Transfer Agent / EMX |
| Alternative Investment Products | HSBC Institutional Fund Services Ltd / Fund Transfer Agent |

Please bear in mind that our brokers may use different execution venues from time to time as long as their use is consistent with our best execution policy. Venues are selected on the basis that they will enable us to obtain on a consistent basis the best possible result for the execution of your transactions. In selecting venues we take into account a range of factors including the prices offered, the amount of commissions and charges, the ability of the venue to manage complex orders, the sophistication of its systems, speed of execution, credit worthiness, reliable settlement and clearing facilities and quality of regulation. Where relevant (e.g. for dual listed securities) we would also take into account the ability to trade in a UK or European time zone.

Specific Instructions

Please bear in mind that if you give us specific instructions as to a transaction in an investment we shall follow your instructions and that may prevent us from taking the steps we have designed and implemented to obtain the best possible result for the execution of the orders covered by your instructions.

Salisbury Partners LLP
Summary of Our Conflicts of Interest Policy

You are a client of ours to whom we provide investment services. In the course of providing these services circumstances may occur which give rise to a conflict of interest between Salisbury Partners LLP and one of our clients (or between one client and another client).

Purpose of our conflicts of interest policy

The purpose of our conflicts of interest policy is to:

- identify the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to a client;
- specify the procedures to be followed and measures to be adopted in order to manage such conflicts.

General considerations

In preparing our conflicts of interest policy we have taken into account a number of factors including:

- whether circumstances might arise where we make a financial gain or avoid a financial loss at the expense of a client;
- whether we have an interest in the outcome of a service provided to a client distinct from the client's interest;
- whether we have a financial or other incentive to favour the interest of another client or group of clients over the interest of the client.

Identifying conflicts of interest

Examples of the potential conflicts of interest we have identified include:

- where we have confidential information regarding an existing or former client which would be of value to other clients of the firm;
- if a transaction carried out on a client's behalf relates to an investment in respect of which the firm or an associate may benefit from a commission, fee, mark up or mark down payable otherwise than by the client and the firm;
- if the firm acts as agent for a client in relation to transactions in which the firm is also acting as agent for other clients and associates.

Our conflicts of interest policy

Against this background our conflicts policy can be summarised as follows:

- where a conflict arises the interests of a client must always be put before the interests of the firm;

- where the firm has a material interest in a transaction to be entered into with or for a client, all reasonable steps must be taken to ensure fair treatment for the client;
- the firm has established procedures to ensure fair treatment between clients. For example, when executing an aggregated order for a client which is not filled, securities which are obtained are allocated fairly between clients;
- the firm does not enter into dealing arrangements that could compromise its ability to comply with best execution requirements;
- the firm has a policy designed to minimise the risk of conflicts arising in situations where staff receive or provide gifts/inducements from clients or third parties.
- the firm has a personal account dealing procedure to reduce potential conflicts in situations where staff deal for their own account;
- the firm has an independence policy that requires staff to act disregarding any material interest or conflict of interest when advising a client or dealing for a client in the exercise of discretion.

Client acknowledgement

You acknowledge that you are aware of and accept the policy and processes which we have in place for providing best execution and conflicts of interest as provided for in this statement and that in the absence of express instructions from you Salisbury Partners LLP shall have full discretion to choose a relevant venue from its current list of venues for executing any order or orders but in doing so shall assess and balance a range of all relevant factors, including those set out in this disclosure statement which Salisbury Partners LLP considers in its reasonable determination to be relevant to achieving the best possible result for you.