

Best Execution Policy

- SG Singapore Branch, SG Securities (Singapore) Pte Ltd (“SGSS”)

Introduction and Purpose of the Best Execution Policy (“Policy”)

This document sets out the Best Execution Policy in relation to the agency and principal transactions conducted by **SG Singapore Branch** and **SG Securities (Singapore) Pte Ltd** (collectively referred to as “**SG Singapore**”), and our approach to providing best execution, where applicable, as required by the Best Execution requirements¹ issued by the Monetary Authority of Singapore (“MAS”).

MAS expects all financial institutions (“FIs”) conducting regulated activities under the Securities and Futures Act (“SFA”) to implement policies and procedures to deliver Best Execution outcomes for their customers, taking into account execution factors such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the placement and/or execution of the order.

Best execution, where applicable, does not mean that SG Singapore or its affiliates (collectively, or where the context requires, individually, referred to as “SG”, “we”, “our” or “us”) can guarantee that the best price will be achieved for every single client order, but we will look to ensure that clients obtain a fair pricing outcome to the extent possible.

For the avoidance of doubt, we do not owe you any fiduciary responsibilities as a result of the matters set out in this Policy, over and above the specific regulatory obligations placed upon us, or as contractually agreed with you.

Scope

The Policy applies to the below activities whereby the pricing of the transactions is dependent on executions by SG Singapore:

- On-Exchange transactions
- Off-Exchange transactions e.g. cross trades
- OTC transactions
- Execution of client orders, on a third-party execution venue or as a counterparty
- Reception and transmission of orders to third party execution agents

The Policy applies to orders placed or executed on all capital markets products (except for spot FX orders) by relevant MAS appointed representatives of SG Singapore, either on a **principal or agency basis**.

Under MAS regulations, SG Singapore’s dealings with customers who are classified as Institutional Investors (as defined under Section 4A of the SFA) are exempted from Best Execution requirements. If you are an Institutional Investor, please note that we are not obliged to adhere to Best Execution requirements in our dealings with you.

¹ MAS Best Execution requirements refers to:

MAS Notice on Execution of Customer’s Orders (SFA 04-N16)

<https://www.mas.gov.sg/regulation/notices/notice-sfa-04-n16>

MAS Guidelines to Notice SFA04-N16 on Execution of Customers' Orders (SFA 04-G10)

<https://www.mas.gov.sg/regulation/guidelines/guidelines-to-notice-sfa04-n16>

Circumstances in which we consider you will not generally be legitimately relying on us for best execution

This includes circumstances where we are approached by you for a “request for quote”, trading “on risk” or “by negotiation”, in a market where the convention is for clients to ask for quotes from several dealers or providers, and where your access to prices in the market and the transparency of the market means you are able to, and can be expected to, assess our quotes against those provided by other dealers or providers. As a result, given your sophistication, accessibility and visibility to the market and that the transaction is initiated by you², by taking into these factors collectively, we consider that you are not placing legitimate reliance on us for best execution for the following financial instruments:

- Over-the-counter derivatives (except for hedge price transactions)
- Structured products, including unwind or secondary market activity of the relevant structured products
- Securities financing transactions
- Stock borrowing and lending transactions
- Bespoke corporate derivatives

How we provide best execution

The following Execution Factors must be considered to fulfill our best execution obligations where applicable:

- Price
- Costs payable by the client as a result of execution
- Speed of execution
- Likelihood of execution
- Size and nature of the order
- Speed of settlement
- Likelihood of settlement
- Likely market impact
- Risks relevant to the execution
- Nature of the market for the product; and
- Any other considerations that are deemed relevant to the execution of the order.

The Execution Factors have not been listed in any particular order of priority. In order to determine the relative importance of the Execution Factors, we take into account the characteristics of the relevant order and any other criteria that we consider relevant.

As a general principle across all products and services, we will use our commercial judgement and experience on the basis of available market information to take all sufficient steps to obtain the best possible outcome for our clients.

² We do not consider communicating trade ideas, market opportunities or indicative prices to you mean we have initiated the transaction.

The specific steps that we will take, however, will vary significantly depending on the nature of the service and product. Ultimately, the objective is to ensure that our clients obtain a fair pricing outcome.

When SG trades with you in a principal capacity, it is important to note that regardless of whether we are subject to our best execution obligations, it does not change our legal and contractual right in relation to the determination of how, when and whether we hedge, the decision to engage in such hedging activities remains in our sole discretion.

Client Order Handling

When we execute an order, we will ensure that we apply the following general principles:

- that the execution of the order is promptly and accurately recorded and allocated;
- where we receive comparable orders, we will carry these out sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impractical, or the interests of the client require otherwise; and
- information in respect of pending client orders will be treated as confidential, to the extent permissible by law, and we will take all reasonable steps to prevent the misuse of such information.

Specific Instruction

We will execute your order in accordance with any specific instructions you give us. This means that, to the extent of the specific instructions, our obligation of best execution will be satisfied by executing the order in accordance with your specific instructions. Where we have discretion over the execution of other elements of the order in the case there is no specific instruction, then we will continue to be subject to the best execution obligations in respect of the elements of the order that are not covered by your specific instruction.

For instance, where your order is placed through our Direct Market Access or your own algorithm, then such order is considered to be a specific instruction and our obligation of best execution will be satisfied by providing the access already.

Execution Venues

Where a transaction is subject to best execution, the selection of an execution venue will also be dependent on our ability to access liquidity. In the case where the selection of an execution venue is relevant, we will choose the execution venue (or venues) that we consider to be the most appropriate to meet our best execution obligations taking into account your instructions and the prevailing market conditions.

When SG trades with you in a principal capacity, we may choose to hedge using any type of financial instruments or not at all and may execute our hedge internally, cross with another client which may be by way of IOI (that is, indications of interest). As mentioned before, the decision to engage in such hedging activities remains in our sole discretion.

Third Party Brokers/Agents and Affiliates

Generally where SG or its affiliates is a member of the execution venue, we will make use of our network of affiliates for execution. Where we do not have direct access to the relevant exchanges or execution venues, or when otherwise required, we may choose to execute with or through an intermediate broker, or choose for any execution to be effected with or through the agency of an intermediate broker and we may use other agents in the course of providing related products and services. The intermediate broker, other than SG or its affiliates, will be regularly assessed by SG or its affiliates to ensure they contribute our ability to meet the best execution standard. Neither we nor our affiliates, nor our and their respective directors, officers, employees or agents will be liable to you for any act or omission of an intermediate broker, party or agent.

Monitoring and Governance

We have a governance framework in place which reviews the business on an on-going basis to monitor for compliance with our best execution obligations. We will monitor the effectiveness of the Policy and its implementation in order to identify and correct any deficiencies.

A copy of this Policy is also made available at the hyperlink below:

<https://wholesale.banking.societegenerale.com/en/compliance-regulatory-information/market-regulation/mifid/>