

STIFEL

STIFEL NICOLAUS EUROPE LIMITED ORDER EXECUTION POLICY

This Order Execution Policy is supplemental to the Stifel Nicolaus Europe Limited (“SNEL”, “we”, “the firm”, “our” or “us”) Terms and Conditions and thus forms part of the terms of the contract between us. You should read it carefully and let us know as soon as possible if there is anything that you do not understand.

1. Purpose of the Order Execution Policy

This Policy (“Order Execution Policy”) sets forth information relating to how SNEL execute orders on behalf of clients, as required by the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and the rules of our regulator, The Financial Conduct Authority (“FCA”) as set out in the Conduct of Business Sourcebook (“COBS”). The FCA also expects SNEL to pay due regard to the interests of its customers and treat them fairly (FCA principle 6).

We have established and implemented policies and procedures, including this Order Execution Policy, which are designed to be sufficient to obtain the best possible results when executing client orders, subject to and taking into account any specific instructions, the nature of the orders and the nature of the markets and the products concerned. We are not required to guarantee that we will always be able to provide best execution on every order executed on your behalf.

We are required by FCA rules to provide our Order Execution Policy and to obtain your consent.

2. Scope of the Order Execution Policy

a. Clients

This Order Execution Policy applies only to clients classified as Professional Clients and is not applicable to business conducted with clients we have classified as Eligible Counterparties. This Policy is not directed at, or intended for Retail Clients.

b. Financial Instruments

This Order Execution Policy only applies with respect to financial instruments within the scope of MiFID II (“MiFID financial instruments”) including the following transferable securities:

- European Equities and Exchange Traded Funds (ETFs)
- US and Canadian Equities
- Cash Bonds (Government and Corporate Bonds)
- Convertible Bonds

This Order Execution Policy does not apply to non-MiFID financial instruments such as Loans.

c. Extra-territoriality

The requirements relating to obtaining the best possible result for clients will be applied to any relevant transaction, in MiFID financial instruments, where the execution or transmission of the client order involves a sales person or trader employed by SNEL who has a direct relationship with the client, regardless of where the client is established.

3. What is Best Execution

We are required to take all sufficient steps to obtain the best possible result on a consistent basis taking into account the price, likelihood of execution and settlement, order size, costs, speed, nature or any other consideration relevant to the execution of an order (hereafter this obligation is referred to as “Best Execution”).

Where we execute or receive and transmit orders in MiFID financial instruments on your behalf, subject to any specific instructions received from you, we will provide Best Execution in accordance with this Order Execution Policy.

The Best Execution obligation is also applicable when we are acting in a principal capacity and you are placing a legitimate reliance on us to protect your interest in relation to the execution of a transaction. In order to determine whether clients are placing legitimate reliance on SNEL, the FCA refers to four considerations set out in a letter from the European Commission which should be applied. Consequently, when determining whether the client is placing legitimate reliance on us, we will assess the following:

- whether we owe an obligation to you given our relationship with you, in particular whether you understand the basis on which we are transacting and the information provided by us to you;
- whether you initiated the transaction;
- whether there is a market practice and the existence of a convention to “shop around”; and
- whether there is price transparency within the market from your perspective

4. Execution Factors

When executing orders on your behalf, subject to any specific instructions, we will consider a range of Execution Factors (see Section 5 for ‘Application of Best Execution by Product’) to determine the manner in which your order will be executed. The relative importance of each Execution Factor will be determined by, but not limited to the following execution criteria:

- your characteristics as a client, including your experience and understanding of the market in question and your MiFID II classification as a Professional Client;
- the characteristics of your order and the nature of the dealing service you require of us;
- the characteristics of MiFID financial instruments that are the subject of your order; and
- the characteristics of the Execution Venues (see Section ‘Appendix’) to which your order can be directed.

5. Application of Best Execution by Product

European Equities and Exchange Traded Funds (ETFs)

i. Client directed orders to third party execution venues

SNEL offers access to third party execution venues where the specific instructions for each order are defined by the client. Such orders place reliance on SNEL and we consider that a duty of best execution is owed. Execution Factors are prioritised for client directed electronic access to third party execution venues:

1. Speed
2. Costs

The remaining Execution Factors – price, likelihood of execution and settlement, order size, nature of the order and any other consideration relevant to the efficient execution of your order - are

generally given equal ranking.

ii. Working orders on behalf of clients

We consider that best execution is owed in respect of working order trades. However, working order trades in relation to cash equities can involve highly prescriptive specific instructions from you as to how you require the trades to be executed, and this will limit our duty of best execution to only those matters which are not covered by specific instructions (see section 7 for 'Specific Instructions'). Execution Factors are prioritised for working orders on behalf of clients:

1. Price
2. Likelihood of execution and settlement

The remaining Execution Factors – order size, costs, speed, nature of the order and any other consideration relevant to the efficient execution of your order - are generally given equal ranking.

iii. Risk trades (RFQ)

Best execution obligations are unlikely to apply where you have asked us for a quote (RFQ) where we are acting as principal on a risk price transaction. We generally take the view that in the context of the European Commission's four considerations there is no legitimate reliance being placed on us to meet the relevant best execution requirements (see section 3 for 'What is Best Execution').

iv. Principal quotes

Best execution obligations are unlikely to apply where the firm supplies principal quotes to the London Stock Exchange (LSE) acting a Market Maker. We generally take the view that in the context of the European Commission's four considerations there is no legitimate reliance being placed on us to meet the relevant best execution requirements (see section 3 for 'What is Best Execution').

US and Canadian Equities

Stifel

Please note that US and Canadian Equity orders that are received by our London desk are generally transmitted to our affiliate Stifel, Nicolaus & Company, Incorporated ("SNC") for execution. As disclosed to you in our terms and conditions, we have entered into an Intercompany and Clearing Agreement with our affiliate company, SNC, under which we have delegated to, and SNC has agreed to provide, execution, clearing and settlement services to Clients of ours on a fully disclosed basis. SNC is not regulated or authorised by the Financial Conduct Authority in the U.K. but it is registered in the United States as a broker-dealer with the U.S. Securities and Exchange Commission, and it is overseen by the Financial Industry Regulatory Authority. Accordingly, the regulatory regime applying to investment business transacted through SNC is different from that of the United Kingdom, and you may not have the benefit of some of the rights designed to protect investors under the Financial Services and Markets Act and FCA rules, including, but not limited to, Best Execution.

Where SNEL transmits orders to SNC, we consider that best execution is owed for 'Client directed orders to third party execution venues' and 'Working orders on behalf of clients' as defined in section 5. 'Application of Best Execution by Product'.

Please be reminded that when we transmit orders placed with us to SNC for execution, your orders will be executed on markets located in North America, rather than on regulated markets located in the European Economic Area.

KBW

US and Canadian Equity orders are also received and executed by our affiliate Keefe, Bruyette & Woods, Incorporated (“KBWI”). Where such orders are not received, transmitted or executed via SNEL (trading as KBW) best execution obligations are unlikely to apply under this Order Execution Policy.

Cash Bonds

i. Riskless principal trades

We consider that best execution is owed in respect of riskless principal trades in cash bonds. Such trades will be subject to our policy on fees, commissions and mark-ups (see section 10 for ‘Fees, and Mark-Ups’).

Execution Factors are prioritised for riskless principal trades in cash bonds:

1. Price
2. Likelihood of execution and settlement

Generally, the most important execution factor for our clients will be the price the relevant financial instrument is executed at. However, in more illiquid markets, the primary execution factors may vary, as such, likelihood of execution may become the primary execution factor. The remaining Execution Factors – order size, costs, speed, nature of the order and any other consideration relevant to the efficient execution of your order - are generally given equal ranking.

ii. Risk trades (RFQ)

Best execution obligations are unlikely to apply where you have asked us for a quote (RFQ) where we are acting as principal on a risk price transaction. We generally take the view that in the context of the European Commission’s four considerations there is no legitimate reliance being placed on us to meet the relevant best execution requirements (see section 3 for ‘What is Best Execution’).

Convertible Bonds

i. Working orders on behalf of clients

We consider that best execution is owed in respect of working orders in convertible bonds. Such trades will be subject to our policy on fees, commissions and mark-ups (see section 10 for ‘Fees, and Mark-Ups’).

Execution Factors are prioritised for working orders on behalf of clients:

1. Price
2. Likelihood of execution and settlement

The remaining Execution Factors – order size, costs, speed, nature of the order and any other consideration relevant to the efficient execution of your order - are generally given equal ranking.

ii. Risk trades (RFQ)

Best execution obligations are unlikely to apply where you have asked us for a quote (RFQ) where we are acting as principal on a risk price transaction. We generally take the view that in the context of the European Commission’s four considerations there is no legitimate reliance being placed on us to meet the relevant best execution requirements (see section 3 for ‘What is Best Execution’).

6. Specific Instructions

Where you provide us with specific instructions we will execute your order in accordance with those instructions. This includes where you specify the characteristics of an order or a particular aspect of an order. Where your instructions relate to only part of an order, we will continue to apply our Order Execution Policy to those aspects of the order not covered by your specific instructions.

Your instructions may prevent us from taking the steps described in this policy to obtain the best possible result for the execution of the order. In following your instructions we will be deemed to have satisfied our best execution obligations.

7. Order Handling

In accordance with the FCA's client order handling rules, we are required to have procedures and arrangements in place that provide for the prompt, fair and expeditious execution of orders. We are also required to consider the need to manage any potential conflicts of interest between clients and/or between SNEL and you.

Comparable client orders must be executed sequentially and promptly, unless this is impracticable given the characteristics of the order, market conditions or if the interests of the client require otherwise. Priority must be given to executing a client order over any own account dealing, regardless of whether or not the client would be disadvantaged or whether the client order was accepted after the firm's decision to deal (unless the client order cannot be executed because of size or other limitations or unless agreed with and disclosed to the client).

We may combine your order with our own orders and orders of other clients. By combining your Orders with those of other clients we must reasonably believe that this is unlikely to disadvantage any client and sufficient prior disclosure is therefore made in this policy that the effect of aggregation may work to a client's disadvantage. As such, aggregation may result in you obtaining a less favourable price in relation to a particular order.

SNEL must follow order priority with regard to the final allocation of the investments concerned. In particular, allocations to client orders are prioritised over the trading interests of the firm.

8. Client Unfilled Limit Orders

Unless you notify us to the contrary, you instruct SNEL not to immediately make public any limit order in respect of shares admitted to trading on a regulated market or traded on a trading venue which are not immediately executed under prevailing market conditions.

9. Execution Venues

This Order Execution Policy includes those execution venues on which we execute orders on behalf of clients and which we consider enable us to obtain on a consistent basis the best possible result, according to the defined Execution Factors for each MiFID financial instrument (see Section 4 for 'Execution Factors').

These possible execution venues include, as appropriate for each product:

- Regulated Markets;
- Other exchanges that are not Regulated Markets;
- Multilateral Trading Facilities (MTF);
- Organised Trading Facilities (OTF);
- Systematic Internalisers (SI);

- Internal sources of liquidity, for example matching client orders, and SNC's or SNEL's proprietary or market making trading desks; and
- Third party investment firms and brokers, including dark pools, and/or affiliates.

In accordance with RTS 28 of MiFID II, SNEL will publish annual execution statistics on our top 5 execution venues for each given class of financial instrument. Additionally, in compliance with SEC Rules 605 and 606, SNC publishes its execution statistics, including the execution venues to which it routes its agency orders, on its website www.stifel.com. The list contains the venues that have been used most often, but is not necessarily an exhaustive list.

The attached Appendix contains a list of main execution venues utilised by SNEL on a consistent basis to obtain the best possible result for our clients. SNEL will not unfairly discriminate between execution venues but will make a decision on an execution venue based on a consideration of the execution factors. However, we may execute orders on other venues that are not included in the Appendix where we deem it appropriate, in accordance with this policy.

In respect of Financial Instruments that can be traded on a regulated market, an MTF or on an OTF, you should note that, subject to your prior express consent, in order to obtain best execution for you we may be required to execute orders on your behalf outside of a regulated market, an MTF or an OTF. As part of our client on-boarding, we require that you provide this consent as, without it, we will be restricted to executing your orders solely on regulated markets, MTFs or OTFs and will therefore be unable to access diverse sources of liquidity. This may have a potentially detrimental effect on the quality of the execution that we are able to provide to you.

SNEL will, where possible, execute client orders subject to the Rules of the London Stock Exchange and the transaction will be trade reported to the London Stock Exchange.

10. Fees and Charges

For equities, fees and charges, and the methodology for calculating these, are agreed in advance and disclosed to a client. In addition, where foreign exchange is charged, SNEL will charge a separate commission so that overall charges are transparent.

In quote driven markets such as Cash Bonds (see Section 5 for 'Application of Best Execution by Product'), SNEL, in common with our competitors, does not charge an explicit commission but imposes a mark-up or spread between where it may buy a financial instrument and where it may sell the same instrument. SNEL will ensure that mark-ups and spreads charged on transactions where best execution is owed are reasonable, not excessive and will be within a range that we consider reasonable for the product type, tenor, liquidity and size of the trade.

SNEL will not structure or charge its commission in such a way as to discriminate unfairly between execution venues. Should there be any variance between commission rates for different exchanges, this will reflect the actual difference in the cost to SNEL of executing on those venues in accordance with this policy. SNEL does not receive any remuneration, discount or non-monetary benefit for routing client orders to a particular trading venue or execution venue.

11. Monitoring and Review

SNEL has implemented a governance framework and control process through which it systematically monitors the effectiveness of our order execution arrangements (including this Order Execution Policy), to identify and, where appropriate, correct any deficiencies. This includes SNEL conducting best execution monitoring for relevant trades on both a pre and post trade basis. Through this governance framework and controls process SNEL will assess whether the execution

venues included in this Policy provide the best possible result for you or whether we need to make any changes to ensure the quality and appropriateness of our execution arrangements. The Execution Oversight Committee meets on at least a quarterly basis and provides a focus for the escalation and resolution of best execution related issues. The Execution Oversight Committee will review best execution monitoring performance during the previous period, any outstanding issues, key developments such as potential additional execution venues, concerns, actions, industry and regulatory updates.

We will review our order execution arrangements and Order Execution Policy at least annually or whenever a material change occurs that affects our ability to obtain the best result for the execution of your orders on a consistent basis using the venues included in the Appendix. As part of this review, we will consider whether we could consistently achieve better execution results if SNEL were to include additional or different execution venues or entities, assign a different relative importance to the best execution factors or modify any other aspect of the Order Execution Policy and/or arrangements. The review will encompass all aspects of SNEL's best execution governance framework. Any material changes to this Order Execution Policy will be notified to you via publication on our website.

Monitoring, review and verification of best execution arrangements and this Order Execution Policy will take account of publicly available information and data on best execution, including by venue and asset class published by trading venues and other firms, in order to assess whether SNEL is meeting its objective of obtaining the best possible execution for clients.

Where we are the only execution venue, we will continue to regularly assess the market landscape to determine whether or not there are alternative venues that we could use in order to meet our best execution requirements. Where necessary and relevant, SNEL will consider the advantages of indirect access, namely transmitting client transaction requests to a broker rather than executing those transaction requests itself.

SNEL is required to be able to demonstrate to clients or applicable regulators that we have executed their orders in accordance with this Order Execution Policy. All such requests should be directed to snelcompliancepublic@stifel.com.

12. Consent

We are required to obtain your prior consent to our Order Execution Policy. As part of our Client on-boarding, you provide this consent, and in any event, you will be deemed to have provided such consent when you give us an order or trade with us.

In relation to MiFID Financial Instruments admitted to trading on a regulated market, MTF or OTF we are also required to obtain your prior express consent before we execute an Order in such Financial Instruments outside of a regulated market, OTF or MTF. As part of our Client on-boarding process, we will request this consent from you.

13. No Fiduciary Responsibility

Our commitment to provide you with best execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

December 2017

APPENDIX

LIST OF MAIN EXECUTION VENUES (ALPHABETICALLY)

This appendix contains a list of main execution venues utilised by SNEL on a consistent basis with MIC code or LEI as appropriate. However, to obtain the best possible result for our clients, we will execute orders on other venues where appropriate.

i. European Equities and Exchange Traded Funds (ETFs)

Execution Brokers and Systematic Internalisers*

Bank of America Merrill Lynch International Limited (MLXN, BMLX, *BMSI)
Barclays Capital Securities Limited (BCSL, *BCSI)
Credit Suisse Securities (Europe) Limited (CSEU, CSCF, *SICS)
ITG Posit (XPOS, ITGL)
J.P. Morgan Securities Plc (JPMX, *JPSI)
Morgan Stanley And Co. International Plc (MSIP, *MSSI)
UBS Limited (XUBS, UBSL, *UBSI)

Trading Venues

London Stock Exchange (XLON) – SNEL are an LSE Member Firm
Aquis Exchange (AQXE)
BATS Europe - CXE Dark Order Book (CHID)
BATS Europe - CXE Order Books (CHIX)
BATS Europe - BXE Dark Order Book (BATD)
BATS Europe - BXE Order Books (BATE)
Borsa Italiana S.P.A. (XMIL)
Euronext - Euronext Amsterdam (XAMS)
Euronext - Euronext Paris (XPAR)
SIX Swiss Exchange - Blue Chips Segment (XVTX)
Turquoise (TRQX)
Turquoise Dark (TRQM)
Xetra (XETR)

ii. US and Canadian Equities

Stifel, Nicolaus & Company, Incorporated (5WUVMA08EYG4KEUPW589)
Keefe, Bruyette & Woods, Incorporated (549300OM47DQV01G4854)

iii. Cash Bonds (Government and Corporate Bonds)

Stifel Nicolaus Europe Limited (213800BVEFNZ8UYPKL03)

iv. Convertible Bonds

Stifel Nicolaus Europe Limited (213800BVEFNZ8UYPKL03)