

BEST EXECUTION POLICY

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1. INTRODUCTION	4
2. REGULATORY CONTEXT	4
3. POLICY STATEMENT	4
4. SCOPE	4
4.1 CLIENT SPECIFIC INSTRUCTIONS	4
5. ORDER PROCESS	5
5.1 ORDER HANDLING	5
5.2 TRANSMISSION OR EXECUTION OF ORDERS.....	5
5.3 TYPE OF ORDERS	6
5.4 SETTLEMENT	6
6. EXECUTION DECISION PROCESS	6
6.1 EXECUTION FACTORS.....	6
6.2 NATURE OF ORDER.....	7
6.3 EXECUTION CLASSIFICATION	7
6.4 BROKER OR VENUE SELECTION	7
6.5 EXECUTION.....	7
6.6 SPECIAL CIRCUMSTANCES	8
7. VENUE APPROVAL PROCESS	8
8. SELECTION OF BROKERS FOR TRANSMISSION OF ORDERS	8
8.1 BROKER AND COUNTERPARTY APPROVAL PROCESS	8
8.2 ALGORITHMIC TRADING	9
8.3 OTC EXECUTION	9
8.4 TRADING OBLIGATION.....	9
9. MONITORING EXECUTION QUALITY	9
9.1 EXECUTION PROCESS CONTROL	9
9.2 PROHIBITED PRACTICES	10
10. GOVERNANCE AND REVIEW PROCESS	10
11. DEFINITIONS AND GLOSSARY	11
12. APPENDIX	13
12.1 FOREIGN EXCHANGE SPOT.....	13
12.2 FOREIGN EXCHANGE DERIVATIVES	14
12.3 EQUITY DERIVATIVES.....	15
12.4 COMMODITY PRODUCTS.....	16
12.5 ENERGY.....	17
12.6 CONTRACTS FOR DIFFERENCE (CFD)	18
12.7 EXCHANGE TRADED PRODUCTS	19

12.8 FINANCIAL INSTRUMENTS NOT TRADED BY THE FIRM 20

1. INTRODUCTION

This Best Execution Policy (“Policy”) provides summarised information on execution processes and procedures of Basis Capital Markets UK Ltd. (“Basis” or the “Firm”) in accordance with Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”), which requires Basis to take all sufficient steps to obtain the best possible result when the Firm is either executing transactions or transmitting orders to other entities for execution on behalf of the Firm’s clients. The Policy is also available on Basis’ [website](#).

Basis reviews this Policy at least annually and updates it whenever any material change in its execution processes is taking place. A material change includes changes to the top five venues and investment firms, changes to instruments in scope of this Policy, and changes to the importance of Execution Factors.

Basis services clients across multiple asset classes with numerous financial instruments as defined by MiFID II. Financial instruments do not include spot FX; however, this Policy contains spot FX transactions that are ancillary to financial instruments. Appendix 1 provides detailed information regarding each financial instrument Basis traded.

This policy should be read with the Client Agreement to understand Basis’ execution services. If there is anything you do not understand or would like clarification of, please contact our Client Services Team.

2. REGULATORY CONTEXT

This Policy is prepared and reviewed under regulatory requirements in MiFID II. The main requirements are set forth in level 1 Article 27 of MiFID II. In addition, level 2 Articles 64-66 of the Commission Delegated Regulation 2017/565 (“Delegated Regulation”) provide detailed provisions. Aside from these specific best execution rules, Basis always acts honestly, fairly, and professionally in accordance with the best interest of its clients.

3. POLICY STATEMENT

Basis acts in accordance with the best interests of its Clients and takes all reasonable steps to obtain the best possible result, considering all the execution factors.

4. SCOPE

Basis must, when providing the service of reception and transmission of orders, comply with the obligation to act in accordance with the best interests of its clients when placing orders for execution or executing orders directly with affiliated entities or third parties that arise from decisions by Basis to deal in financial instruments on behalf of its clients. As of the date of this Policy, all Basis’ clients are categorized as Eligible Counterparties or Per Se Professional Clients in accordance with MiFID II client category rules, and this Policy addresses Basis obligations concerning these categories of clients.

Should Basis act as an Introducing Broker, this Policy does not apply. Instead, the order execution policy of the delegated counterparty firm applies.

4.1 CLIENT SPECIFIC INSTRUCTIONS

When Basis receives client-specific instructions that set restrictions on trading, Basis will carry out transactions per these instructions while considering all other relevant factors outside client-specific

instructions. In case of client-specific counterparty restrictions, best execution as defined in this Policy may only be delivered within those constraints. Basis may not induce clients to set restrictions on trading.

5. ORDER PROCESS

The following section describes the overall order process from investment decision to settlement of transaction(s) relevant to best execution. The order process consists of the next four steps:

- Order handling
- Transmission or execution of orders
- Types of orders
- Settlement

5.1 ORDER HANDLING

When Basis carries out client orders, it must ensure that orders are:

- Transmitted or executed promptly;
- Accurately recorded and allocated; and
- Executed sequentially unless the characteristics of the order or prevailing market conditions make this impracticable or the client's interests require otherwise.

Basis order handling may involve the aggregation of one or more client orders. This is allowed only if the aggregation works to the overall advantage of the clients whose orders are to be aggregated. However, aggregation may be disadvantageous in terms of a single order. Basis allocates the related trades according to internal allocation procedures. These procedures ensure that orders are allocated fairly across portfolios, and preference is not given to one client over another.

5.2 TRANSMISSION OR EXECUTION OF ORDERS

When acting on behalf of clients, and as described in Basis' Client Agreement, the Firm may transmit the order to another investment firm, execute the order directly on a venue, or execute the order bilaterally with an approved counterparty (OTC).

Order Transmission: When Basis sends an order to a broker for execution, the order is transmitted by Basis. In the case of transmitted orders, the receiving broker executes the order in accordance with its own Execution Policy. Orders may only be transmitted to brokers approved by Basis.

Order Recoding: Order details are managed and recorded according to the Firm's Data Protection Policy.

Order Execution: Basis executes transactions directly with an approved counterparty or on a trading venue, either as participant or through Direct Electronic Access (DEA) via a broker's membership. Execution may only take place on approved venues or with brokers approved by Basis. Basis currently executes orders on the following types of venues as defined by MiFID II:

- Multilateral Trading Facilities (MTF);
- Systematic Internalisers (SI);
- Third party investment firms and/or affiliates acting as a Market Maker or other liquidity providers; and

- Non-EU entities performing similar functions.

Internal crossings: Basis may use internal crossings when the result works to the overall advantage for all involved clients relative to what would be achievable by outright trading in the market. Basis uses internal crossings to reduce the total cost of trading for clients by avoiding market impact, information leakage, and spread costs.

Depending on the instrument type, Basis may use one of the following benchmarks for determining the crossing price: current mid-market price, volume weighted average price, market-on-close price, or NAV time-strike. Basis will, in most instances, use the mid-market price as the benchmark to ensure equal treatment of clients. Internal crossings between Basis clients are carried out externally through approved brokers or venues.

5.3 TYPE OF ORDERS

Given the risks that arise when trading in volatile markets, the client may want to consider using different types of orders to limit risk and manage investment strategies. (It should be noted that the following descriptions of order types may apply only to some and not all types of investment instruments)

Buy/Sell Stop is a pending order the client can place to buy or sell an investment instrument at a price worse than the price when placing the order. Orders must be at a specific distance from the current market price when placing the order(s).

Buy/Sell Limit is a type of pending order the client can place to buy or sell an investment instrument at a price better than the price when placing the order. Orders need to be at a specific distance from the current market price at the time of placing the order(s)

OCO (order-cancel-other) is a type of order a client can place on one investment instrument. The other order will automatically be cancelled when any order is triggered (filled).

If-Done Order is a type of order that a client can place on one investment instrument whereby when the order is triggered (filled), the other order(s) will automatically be activated

Trailing Stop Order Trailing stops are accepted by the platform. If a client has an open buy position and wants to move his stop up as the market trades higher, he can automate this process with a trailing stop.

5.4 SETTLEMENT

The conclusion of the order process takes place when the transaction is settled. Until settlement, the execution is at risk. Therefore, the ability and likelihood of due settlement is a factor for Basis in achieving the best possible execution.

6. EXECUTION DECISION PROCESS

6.1 EXECUTION FACTORS

The Markets in Financial Instruments Directive (MiFID) best execution regime requires investment firms to take all reasonable steps to obtain the best possible result for their Clients, considering price, cost, speed, likelihood of execution and settlement, size, market impact, and price risk, nature of the order and any other considerations relevant to the execution of the order.

To consistently achieve the best possible result for clients, Basis will weigh the relative importance and impact of execution factors in accordance with the client's requirements, the type of order, the financial instrument(s) involved, available trading venues, and prevailing market conditions.

Unless special circumstances apply, as set forth below, Basis' priority when executing an order will be to obtain the best possible result for the client, considering all relevant execution factors. Without other instructions from the client, this typically means obtaining the best possible price for the client. When Basis decides on the best possible method for execution, the Firm considers the following steps:

6.2 NATURE OF ORDER

Considerations are given to who placed the order, the type of instrument, the cause of the order (e.g., reallocation or asset flow in client portfolios), and whether there are any instructions from order giver with respect to price limits or time of execution.

6.3 EXECUTION CLASSIFICATION

Execution classification is based on an instrument analysis considering step 1 and current market conditions. Relevant factors are:

- Size of the order;
- Market liquidity;
- Market volatility; and
- Geographic area (e.g., EU/non-EU).

6.4 BROKER OR VENUE SELECTION

The decision to execute a given order via a broker or directly on a venue is subject to the nature of the order and the execution classification.

6.5 EXECUTION

The execution decision is subject to the outcome of the steps described in sections 6.1 - 6.4 above. The best possible execution of any particular transaction is driven by the Execution Factors listed in 6.1 above.

Basis, in its capacity as agent or matched principal, will adhere to the guidelines in the [FX Global Code](#), including:

- communicate with the Client regarding the nature of their relationship;
- seek to obtain the result requested by the Client;
- establish a transparent order execution policy that should supply information relevant to the Client order that may include:
 - information on where the Firm may execute the Client orders;
 - the factors affecting the choice of execution venues; and
 - information as to how the Firm intends to provide for the prompt, fair, and expeditious execution of the Client order;
 - be transparent with the Client about the Firm's terms and conditions, which set out fees and commissions applicable throughout the time of the agreement; and
 - share information relating to orders accepted on an Agency basis with any market-making or Principal trading desks only as required to request a competitive quote.

6.6 SPECIAL CIRCUMSTANCES

Basis may, under special circumstances, deviate from how we generally prioritize between Execution Factors. Special circumstances include situations where markets are exceptionally volatile or disrupted.

7. VENUE APPROVAL PROCESS

We aim to select execution venues that enable us to deliver best execution to clients continuously and consistently. To inform the selection process and to evaluate and compare execution venues, we review execution quality reports and proprietary transaction data at least quarterly. We also consider qualitative factors like clearing schemes, circuit breakers, liquidity analysis, and other information.

When dealing with us, you typically transact with us, not any other exchange, external market, or venue. Any trades with us are non-transferable. If you create an open position with us, you must close it with us.

8. SELECTION OF BROKERS FOR TRANSMISSION OF ORDERS

As per Basis' Client Agreement, the Firm may transmit orders to brokers for execution on behalf of our clients. Basis will only transmit orders to brokers on our list of approved brokers.

The criteria for broker selection admitted to our approved broker list are described in the following section.

The factors determining broker selection for any order are outlined for each Financial Instrument in Appendix 1.

8.1 BROKER AND COUNTERPARTY APPROVAL PROCESS

The factors relevant for selecting brokers and counterparties can be grouped into the soundness and the service level of brokers and counterparties and include the following:

Soundness of broker/counterparty

- Reputation, financial strength, and stability;
- Access to primary and/or secondary markets; and
- Ongoing reliability.

Service level of broker/counterparty

- Best Execution Policy¹;
- Overall costs of a trade, including commissions, mark-ups, markdowns, or spreads;
- Market share;
- Electronic connectivity;
- Block trading and block positioning capabilities;
- Willingness to execute difficult transactions;
- Willingness and ability to locate and/or commit capital to complete trades; and

¹ In instances where Basis is deemed to be an Eligible Counterparty, the Best Execution obligation will not apply.

- Anonymity of trading activity.

In addition, the following conditions must be met before brokers and counterparties can be approved:

- Accurate and timely execution, settlement, clearance, and error/dispute resolution processes;
- Licensed, as required, to execute the type of transaction; and
- Supervision by national authorities.

8.2 ALGORITHMIC TRADING

Basis will often use algorithmic trading protocols provided by the brokers with whom Basis transacts. All algorithms used by Basis are assessed as part of the broker approval process and continuously reviewed.

8.3 OTC EXECUTION

Basis may execute client orders bilaterally with counterparties outside trading venues, Over the Counter (OTC). OTC transactions may be subject to increased counterparty and settlement risks, as the clearing and settlement rules of the relevant trading venue and central counterparty do not cover these transactions. Basis' clients may ask Basis for additional information about the consequences of OTC trading.

When executing orders OTC, Basis will check the fairness of the price proposed to the client by analysing market data used to estimate the price of such product and, where possible, by comparison with relevant products.

When dealing in derivatives, the counterparty must be on Basis' approved broker list, and an ISDA agreement must be in place.

8.4 TRADING OBLIGATION

In instrument classes subject to trading obligations under MiFID II, Basis will ensure orders are not executed OTC but instead done on a trading venue in accordance with the specific requirement.

9. MONITORING EXECUTION QUALITY

As part of Basis' efforts to consistently deliver the best possible execution for clients, Basis has implemented a range of initiatives to monitor execution quality. For all Financial Instruments, pre-trade processes in the form of internal policies have been designed and implemented. Furthermore, post-trade monitoring of execution quality is based on transaction cost analysis (TCA) and outlier reports. TCA reports are produced in-house and monitor the quality of executed transactions by comparing these against relevant benchmarks. Outlier reports compare transactions against relevant reference prices and list trades with larger deviations as outliers.

9.1 EXECUTION PROCESS CONTROL

The Compliance Officer at Basis is responsible for the best execution process at Basis. This includes continuously monitoring and reviewing execution quality and the appropriateness of existing execution procedures. The Committee is further responsible for improving execution procedures where possible.

9.2 PROHIBITED PRACTICES

With respect to the trading procedures, the following prohibited practices at Basis include:

- Basis may not direct orders to brokers in return for any gifts or entertainment;
- Basis may not direct orders to brokers if any conflict of interest exists which cannot be mitigated;

and

- Basis may not receive any remuneration, discount, or non-monetary benefit for routing client orders to brokers or execution venues, which would infringe the requirements on conflict of interest on inducements.

and

- Basis may not receive any remuneration, discount, or non-monetary benefit for routing client orders to brokers or execution venues, which would infringe the requirements on conflict of interest or inducements.

10. GOVERNANCE AND REVIEW PROCESS

Basis Compliance Officer monitors the compliance and effectiveness of the execution procedures (including this Policy and the scope of the best execution obligation) and regularly assesses whether the execution venues and counterparties selected by Basis provide the best possible result for client transactions subject to best execution.

11. DEFINITIONS AND GLOSSARY

Best Execution	An obligation under Article 27 MiFID II that requires Basis to take sufficient steps to obtain the best possible result for Professional Clients when executing orders on their behalf in respect of Financial Instruments.
Broker	Legal entities (including Entities and third-party entities) to whom Basis may transmit a client order for execution.
DEA	Direct Electronic Access. DEA is an arrangement where a member or, participant, or client of a trading venue permits a person to use its trading code so the person can electronically transmit orders relating to a financial instrument directly to the trading venue and includes arrangements that involve the use by a person of the infrastructure of the member or participant or client, or any connecting system provided by the member or participant or client, to transmit the orders (direct market access) and arrangements where such an infrastructure is not used by a person (sponsored access).
Eligible Counterparties	A client that has been classified as an eligible counterparty in accordance with Article 30 MiFID II.
Execution Venue	RMs, OTFs, MTFs, SIs, market makers, other liquidity providers, and entities in third countries that perform a similar function.
FX	Foreign Exchange
ISDA	An ISDA Master Agreement is a standard document commonly used to govern over-the-counter derivatives transactions.
LIS	Large in Scale.
MiFID II	Markets in Financial Instruments Directive 2014/65/EU and implementing measures as transposed into national laws and regulations.
MiFIR	Markets in Financial Instruments Regulation (EU) No 600/2014.
MTF	Multilateral Trading Facility. A multilateral system, operated by an investment firm or market operator, which brings together multiple third-party buying and selling interests in financial instruments in a way that results in a contract under the provisions of Title II of MiFID II.
OTC	Over the Counter.
OTF	Organized Trading Facility. A multilateral system that is not a Regulated Market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances, or derivatives are able to interact in a system in a way that results in a contract in accordance with Title II of MiFID II.
Passive and Aggressive Orders	A Passive Order is characterised as an order that is entered into the order book of a trading venue and provides liquidity, whereas an Aggressive Order is defined as an order that is entered into the order book of a trading venue and removes liquidity.
Policy	Basis' "Best Execution Policy" (this document).
Professional Client	A client that meets the criteria laid out in Annex II of MiFID II.
RM	Regulated Market. A multilateral system operated and/or managed by a market operation, which facilitates the bringing together of multiple third-party buying and selling interests in financial instruments in a way that results in a contract, in

	respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of Title III of MiFID II.
TCA	Transaction Cost Analysis.
SI	Systematic Internaliser. An investment firm that, on an organised, frequent, and systematic basis, deals on own account by executing client transactions outside a Regulated Market or an MTF.
Spot Commodities	A contract for the sale of a commodity, under the terms of which delivery is scheduled to be made within the longer of either two trading days or the period generally accepted in the market for that commodity as the standard delivery period.
Spot FX	A purchase or sale of foreign currency, which is generally settled within two business days.
Specific Instruction	When Basis receives a specific instruction from a client on executing the order (or a particular aspect of the order).
SSTI	Size Standard to Instrument
Trading Venues	RMs, MTFs and/or OTFs.
VWAP	Volume Weighted Average Price

12. APPENDIX

This appendix will, for each class of Financial Instrument as defined in Commission Delegated Regulation (EU) 2017/576 and offered by Basis, outline how the best possible execution is achieved consistently.

12.1 FOREIGN EXCHANGE SPOT

12.1.1 Products in Scope

Foreign exchange (FX) spot is not defined as a Financial Instrument pursuant to MiFID II and thus not subject to best execution requirements. However, as part of Basis' obligation to act honestly, fairly, and in clients' best interest, Basis below describes how trading in FX spot is undertaken.

12.1.2 How Basis Applies Best Execution

Basis trades in competition on all RFQ trades among approved brokers. Basis may, on the client's request, also trade FX spot with client-specific brokers.

12.1.3 The Order Handling Process

Basis nets as much of all trades in the same currency cross pair as possible and trade as a RFQ on either an MTF or with an SI. To tap directly into the liquidity in primary FX markets, Basis may trade larger orders using algorithms. Before using algorithms, Basis will perform a pre-trade analysis on the expected time of order execution, expected participation rate, and expected costs of trading with an algorithm vis-à-vis trading in an RFQ.

12.1.4 Execution Venues and Brokers

To evaluate the quality of the selected venue, we analyse, e.g., reversion numbers and market share based on quarterly venue analysis. If we deem a venue to underperform consistently, we may ask the broker to stop executing orders on the venue on our behalf. Where applicable, broker selection is subject to the client's ISDA agreements.

12.1.5 Benchmarking and Monitoring

Monitoring of execution quality in algorithmic FX spot transactions is based on transaction cost analysis (TCA).

12.2 FOREIGN EXCHANGE DERIVATIVES

12.2.1 Products in Scope

This section provides further details regarding applying best execution requirements in relation to foreign exchange (FX) derivatives. This includes FX forwards, FX swaps, and non-deliverable forwards (NDF).

12.2.2 How Basis Applies Best Execution

Basis seeks execution of client orders in FX derivatives through brokers by transmitting orders to them for execution in accordance with their execution policies.

12.2.3 Prioritization of Execution Factors

For professional clients within foreign exchange derivatives, Basis will prioritize as follows: price, costs, speed, likelihood of execution and settlement, size, market impact and price risk, and nature of the order or any other consideration relevant to the execution of the order.

12.2.4 The Order Handling Process

FX forwards are traded as either RFQ or via algorithms. FX swaps and NDFs are traded in competition as RFQ. In RFQs, Basis selects the broker for execution based mainly on the Execution Factors of price and costs. Algorithmic trades are typically used for larger orders. In algorithmic trades, Basis will select the best broker for execution based on the outcome of a pre-trade analysis of the expected total costs of trading and expected time of order completion.

12.2.5 Execution Venues and Counterparties

In FX derivatives, Basis may transmit orders to a broker for execution or execute bilaterally. Basis may only trade with approved brokers, either client-specific or where ISDA agreements are in place. Where FX spot is traded and converted to FX forwards, Basis may decide on the optimal venue for execution. Venue selection is determined by market share of the venue, costs, and venue toxicity.

The derivatives trading obligation will, where applicable, mean that FX derivatives transactions are done over a trading venue.

Broker selection is subject to the client's ISDA agreements.

12.2.6 Benchmarking and Monitoring

Monitoring of execution quality in algorithmic FX derivatives transactions is based on transaction cost analysis (TCA).

12.3 EQUITY DERIVATIVES

12.3.1 Products in Scope

This section provides further details regarding the application of best execution requirements in relation to equity derivatives. This includes only equity index futures.

12.3.2 How Basis Applies Best Execution

Basis seeks execution of client orders in equity derivatives through brokers by transmitting orders to them for execution with the primary objective of minimizing slippage to the given reference benchmark selected by Basis.

12.3.3 Prioritization of Execution Factors

For professional clients within equity derivatives, Basis will prioritize as follows: price, costs, speed, likelihood of execution and settlement, size, market impact, price risk, and nature of the order or any other consideration relevant to the execution of the order.

12.3.4 The Order Handling Process

In determining the best execution broker, we consider the following factors:

- Historic performance: broker's average execution quality relative to a relevant trading benchmark;
- Accuracy and timeliness of execution & settlement: broker's ability to pass on trade information during execution as well as matching and settlement of trades in due time;
- Reputation and financial strength: how the broker is publicly perceived and the broker's creditworthiness;
- Quality of service: broker's ability and willingness to meet specific trading requirements, following up on trades, and handling trades professionally. In addition to the above, we consider the below factors in high difficulty orders:
- Access to liquidity: broker's ability to source relevant liquidity and finding the other side of our trades.
- Block trading capabilities: broker's ability to facilitate blocks and provide risk capital / principal trading at a competitive price.
- Willingness to execute difficult transactions: broker's willingness to commit capital to facilitate execution on highly illiquid orders.
- Anonymity of trading: how the broker manages the block trading process while minimizing information leakage. If order conditions are met in high difficulty orders, traders may act on liquidity opportunities. These trades are typically traded within the spread at the time of execution. However, as the most critical factor is liquidity, traders may go outside the spread to access liquidity.

12.3.5 Execution Venues and Brokers

Equity index futures are traded on the designated exchanges.

12.3.6 Benchmarking and Monitoring

Monitoring of execution quality in equity derivatives is based on transaction cost analysis (TCA).

12.4 COMMODITY PRODUCTS

12.4.1 Products in Scope

This section provides further details regarding the application of best execution requirements in relation to commodity derivative products. Spot commodity products do not fall within the meaning of Financial Instruments. Nevertheless, we are subject to obligations to treat clients fairly and to manage any conflicts that may arise relating to spot commodity product transactions.

12.4.2 How Basis Applies Best Execution

When executing orders on behalf of clients, Basis selects Execution Venues consistent with our approach to taking sufficient steps to provide Best Execution, which is set out in section 6 of this Policy. Specific factors that we consider when selecting an Execution Venue depend on the Asset Class of the Financial Instrument and the nature of the service in question.

12.4.3 Prioritization of Execution Factors

For professional clients within commodity products, Basis will prioritize as follows: price, the likelihood of execution, and the remaining factors are generally given equal ranking.

12.4.4 The Order Handling Process

Orders are transmitted to our execution broker, which will work the order in the market.

12.4.5 Execution Venues and Brokers

Basis may either transmit orders to a broker for execution or execute bilaterally. Basis may only trade with approved brokers, either client-specific or where ISDA agreements are in place. Where spot commodities are traded and converted to forward contracts, Basis may decide on the optimal venue for execution. Venue selection is determined by market share of the venue, costs, and venue toxicity.

The derivatives trading obligation will, where applicable, mean that commodity derivatives transactions are done over a trading venue.

Broker selection is subject to the client's ISDA agreements.

12.4.6 Benchmarking and Monitoring

Monitoring of execution quality in commodities is based on transaction cost analysis (TCA).

12.5 ENERGY

12.5.1 Products in Scope

This section provides further details regarding the application of best execution requirements in relation to energy products. Spot energy products do not fall within the meaning of Financial Instruments. Nevertheless, we are subject to obligations to treat clients fairly and to manage any conflicts that may arise relating to spot commodity product transactions.

12.5.2 How Basis Applies Best Execution

When executing orders on behalf of clients, Basis selects Execution Venues consistent with our approach to taking sufficient steps to provide Best Execution, which is set out in section 6 of this Policy. Specific factors that we consider when selecting an Execution Venue depend on the Asset Class of the Financial Instrument and the nature of the service in question.

12.5.3 Prioritization of Execution Factors

For professional clients within exchange traded products, Basis will prioritize as follows: price, costs, speed, likelihood of execution and settlement, size, market impact and price risk, and nature of the order or any other consideration relevant to the execution of the order.

12.5.4 The Order Handling Process

Orders in exchange traded products are either executed directly by Basis through a request-for-quote (RFQ) process via a trading platform or transmitted to a broker, which will work the order in the market.

12.5.5 Execution Venues and Brokers

The nature of the order is important in determining how to execute the order optimally. There are two overall order types: Orders arising from investment decisions and flow driven orders.

12.5.6 Benchmarking and Monitoring

Monitoring of execution quality in exchange traded products is based on transaction cost analysis (TCA).

12.6 CONTRACTS FOR DIFFERENCE (CFD)

12.6.1 Products in Scope

This section provides further details regarding the application of best execution requirements in relation to CFDs.

12.6.2 How Basis Applies Best Execution

Basis seeks execution of client orders in CFDs through a broker by transmitting orders to the broker for execution in accordance with the broker's execution policy.

12.6.3 Prioritization of Execution Factors

In CFD trades, Basis does not prioritize between Execution Factors due to the nature of all transactions being executed between the Firm's clients and the selected prime brokers for CFDs.

12.6.4 The Order Handling Process

Orders are transmitted for execution to our prime broker.

12.6.5 Execution Venues and Brokers

When we transmit orders for execution, the broker selects the venue on our behalf. To evaluate the quality of the chosen venue, we analyse, e.g., reversion numbers and market share based on quarterly venue analysis. If we deem a venue to underperform consistently, we may ask the broker to stop executing orders on the venue on our behalf.

12.6.6 Benchmarking and Monitoring

Monitoring of execution quality in CFDs is based on transaction cost analysis (TCA) and daily outlier reports.

12.7 EXCHANGE TRADED PRODUCTS

12.7.1 Products in Scope

This section provides further details regarding the application of best execution requirements in relation to exchange traded products. This includes exchange traded funds and exchange traded notes.

12.7.2 How Basis Applies Best Execution

Orders are executed directly by Basis through an RFQ process via a trading platform or transmitted to brokers who will execute according to their execution policies. Basis trades in competition on all RFQ trades among approved brokers.

12.7.3 Prioritization of Execution Factors

For professional clients within exchange traded products, Basis will prioritize as follows: price, costs, speed, likelihood of execution and settlement, size, market impact and price risk, and nature of the order or any other consideration relevant to the execution of the order.

12.7.4 The Order Handling Process

Orders in exchange traded products are either executed directly by Basis through a request-for-quote (RFQ) process via a trading platform or transmitted to a broker, which will work the order in the market.

12.7.5 Execution Venues and Brokers

The nature of the order is important in determining how to execute the order optimally. There are two overall order types: Orders arising from investment decisions and flow driven orders.

12.7.6 Orders Arising from Investment Decisions

Orders arising from investment decisions may result in reallocating existing or adding new holdings. These orders are typically linked and conditional regarding market exposure, cash restrictions, or time zones. These orders are generally traded with the primary objective of minimizing slippage to the given reference benchmark selected by Basis. In this regard, the trading team may react on liquidity opportunities.

12.7.7 Flow Driven Orders

Flow-driven orders are the result of flows in client portfolios. These orders are typically traded as close as possible to the NAV time-strike, making the Execution Factors of speed and likelihood of execution of higher relative importance.

12.7.8 Benchmarking and Monitoring

Monitoring of execution quality in exchange-traded products is based on transaction cost analysis (TCA).

12.8 FINANCIAL INSTRUMENTS NOT TRADED BY THE FIRM

Some classes of Financial Instruments, as defined in [Commission Delegated Regulation \(EU\) 2017/576](#), are not traded by Basis and thus fall outside the scope of this Policy. These include:

#	Ref.	Products Traded by Basis	Products <u>Not</u> Traded by Basis
a)	-	-	Equities
b)	-	-	Debt Instruments
c)	-	-	Interest Derivatives
d)	-	-	Credit Derivatives
e)	12.2	Currency (FX) Derivatives	-
f)	-	-	Structured Finance Instruments
g)	12.3	Equity Derivatives	-
h)	-	-	Securitized Derivatives
i)	12.4	Commodity Derivatives and Emission Allowances Derivatives	-
j)	12.6	Contracts for Difference	-
k)	12.7	Exchange Traded Products	-
l)	-	-	Emission Allowances
m)	-	-	Other Instruments
-	12.1	FX Spot	-
-	12.5	Energy	-