

Renaissance Capital

RENAISSANCE CAPITAL

ORDER EXECUTION POLICY

Effective 15 April 2021

1. Order Execution Policy - Introduction

This Order Execution Policy (the “**Policy**”) is intended to provide clients with information relating to the order execution arrangements that EU-and U.K.- entities of the Renaissance Capital group of companies (“**Renaissance Capital**”, or the “**Firm**”) have in place to comply with their obligations under the Markets in Financial Instruments Directive 2014/65/EU of 15 May 2014 (“**MIFID II**”) (or U.K. equivalent, where applicable) and certain other aspects relating to the way in which Renaissance Capital handles client orders. By giving Renaissance Capital orders for execution after receiving this Policy, you will be deemed to have consented to having your orders handled by Renaissance Capital in accordance with this Policy, except for situations where Renaissance Capital has received specific instructions.

This Policy has been implemented, and applies to the orders received and trades executed, by:

- Renaissance Capital Limited (“**RCL**”), a UK based investment services firm regulated by the Financial Conduct Authority (“**FCA**”); and
- Renaissance Securities (Cyprus) Limited (“**RESEC**”), a Cyprus based investment services firm, regulated by the Cyprus Securities and Exchange Commission (“**CySEC**”). CySEC applies the MIFID II regulatory regime.

References to Renaissance Capital or the Firm shall be construed to equally apply to RCL and RESEC (depending which of the entities is providing services to you), unless otherwise stated herein.

2. Scope

This policy applies to orders executed on behalf of Professional Clients in accordance with MiFID II client classification rules. A client’s regulatory classification will directly impact the determination of whether a client is relying on Renaissance Capital to protect its interests, and as such whether best execution is owed. The Firm’s best execution obligations do not extend to Eligible Counterparties as outlined in Article 30(1) of MiFID II, although the duty to identify and manage any conflicts of interests will nevertheless apply. Application of the Policy will also be limited if Renaissance Capital receives specific client instructions as provided below.

The Firm does not offer services or carry out any business with Retail Clients. Renaissance Capital’s best execution obligations do not extend to FX spot as these do not fall within the scope of MiFID II.

This Policy only applies in relation to Financial Instruments as defined in MiFID II.

On request, when Renaissance Capital provides quotes (“**Request for Quote**” or “**RFQ**”) or negotiates a price with you, as a Professional Client, Renaissance Capital will take into consideration the nature of the instruction with respect to the four-fold cumulative test as set out by the European Commission¹ to determine whether the client is relying on Renaissance Capital to obtain the best possible result.

In determining whether Renaissance Capital is able to deal on an RFQ basis, Renaissance Capital will consider the nature of the instruction with respect to the four-fold cumulative test. The distinction between your reliance on Renaissance Capital to achieve best execution and an RFQ is between:

- a) Where you are relying on Renaissance Capital to achieve best execution outcome, i.e. for Renaissance Capital to act on your behalf in protecting your interests (an order); and
- b) Where you merely request or take a price (RFQ).

The four-fold cumulative test considers the following factors:

- a) Which party initiates the transaction. Where Renaissance Capital approaches you, and suggest that you should enter into a transaction, it is more likely that you will be placing reliance on Renaissance Capital. Where you initiate the transaction, it is less likely that you will be placing reliance on the Firm;
- b) Questions of market practice and the existence of the convention to ‘shop around’. Where the practice in the market in which a business area operates suggests you take responsibility for the pricing and other elements of the transaction (e.g. there is a market convention to “shop around” for a quote), it is less likely that you will be placing reliance on Renaissance Capital;
- c) The relative levels of price transparency within a market. If the Firm has ready access to prices in the market in which the Firm operates, whereas you do not, it is more likely that you will be placing reliance on Renaissance Capital.

¹ European Commission’s Working Document ESC-07-2007 (or, where applicable, equivalent UK rules and guidance)

This is different to where the Firm's access to pricing transparency is equal or similar to yours and in these circumstances, it is less likely that you will be placing reliance on Renaissance Capital; and

- d) The information provided by Renaissance Capital and any agreement reached. Where the Firm's arrangements and agreements with you do not indicate or suggest a relationship of reliance, it is less likely that you will be placing reliance on Renaissance Capital.

If the above factors are determined by Renaissance Capital to conclude that your behaviour does not indicate that you are relying on Renaissance Capital, then best execution will not apply.

3. Review

Renaissance Capital will review, at least on an annual basis, the Policy and its order execution arrangements.

In the event of a change that has a material impact upon the Firm's ability to obtain the best possible result for client orders, a review will be readily undertaken to assess the arrangements which the Firm has in place to achieve best execution on a consistent basis. A material change shall be a significant event that could impact parameters of best execution such as cost, price, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. The most recent version of this Policy will always be available on our website www.rencap.com, and we will endeavor to notify clients with whom we have an ongoing relationship of any material changes to our order execution arrangements or this Policy.

4. Execution Factors and Order Criteria

In the absence of specific client's instructions, when managing client orders through to execution or upon facilitating the receipt and transmission of an order, Renaissance Capital will take all sufficient steps to achieve the best possible result for clients in a comprehensive and consistent way. The Firm will take into consideration, a combination of the following execution factors (collectively considered and known as the "Execution Factors"):

- (a) Price;
- (b) Likelihood of execution;
- (c) Size of order;
- (d) Likelihood of settlement;
- (e) Costs (implicit and explicit);
- (f) Speed of execution;
- (g) Nature of the order;
- (h) Any other considerations relevant to the execution of an order (e.g. prevailing market conditions).

In determining the relative importance of these Execution Factors, Renaissance Capital will take into consideration the following criteria:

- the characteristics of the client (including the classification as a Professional Client);
- the characteristics of the order, including any specific instructions received;
- the characteristics of the financial instrument to which the order relates, including where the order involves a securities financing transaction;
- characteristics of the execution venue(s) to which the order can be directed.

The process by which the Firm undertakes this assessment is neither uniform or directly comparable in each instance. The Firm's execution obligations will be discharged in a manner that considers the different circumstances associated with the execution of the order as they relate to the financial instruments involved, namely (where applicable):

- For shares or depositary receipts admitted to a centralised trading venue, price and costs would be considered significant factors when routing to a particular venue;
- For other transaction types, increased emphasis may be placed on the sourcing of liquidity. This may be for Fixed Income trades or OTC transactions that involve a customised financial element bespoke to the clients own contractual requirements. For complex products, best execution will be considered for the product in its entirety rather than the individual components of the instrument;

- Emerging markets may also present lower volumes of liquidity and for practical necessity, emphasis will be placed on the speed and therefore likelihood of execution (also referred to as “fill rate”). Execution may not be at the best price available, but the certainty of execution for the whole order may increase overall;
- Similarly, where there is a large order that may exceed the available liquidity of the market (or where the likely impact on the market may be too great), execution of the order may occur in stages, to allow the Firm to facilitate the execution appropriately;
- Exchange traded derivatives are traded as single exchange contracts, where the client generally provides Renaissance Capital with a specific instruction regarding the contract they wish to trade. Renaissance Capital will select the single venue and execution broker available based on that specific instruction;
- OTC derivatives of this nature are bilateral contracts that are arranged through negotiation, with a quote or price provided to a client. A client will decide whether or not to transact with Renaissance Capital on the basis of that quote. In entering into these transactions, it may be necessary for the Firm to hedge its risk. While the cost of the hedge may be linked to the price of an OTC derivative, hedging is an entirely separate activity. However, where the price of the hedge may be used as a reference price for the derivative, the Firm will seek to obtain best execution on the hedge subject to any specific instruction.

Subject to any specific instructions, taking into account the criteria above, the Firm will generally give the highest priority to net price. The remaining execution factors are generally given equal ranking.

5. Selection of Execution Venues

Renaissance Capital will route orders to those execution venues that it deems sufficient to provide the best possible result, (based on comparable and consolidated venue information). Where Renaissance Capital knows it will not be able to obtain best execution, the order will be routed to another approved venue. Subject to any specific instructions, in meeting the best execution obligation to take all sufficient steps to obtain on a consistent basis the best possible result for the execution, we consider appropriate execution venues to include:

- (a) Regulated Markets (“RM”);
- (b) Multilateral Trading Facilities (“MTF”);
- (c) Organised Trading Facilities (“OTF”);
- (d) Systematic Internalisers (“SI”), including Renaissance Capital or affiliated legal entities which may be a SI in the relevant instrument;
- (e) An entity which performs a similar function in a third country to the functions performed by any of the foregoing outside the EEA (or UK for RCL, where applicable) which are regulated according to their local rules;
- (f) Renaissance Capital may also execute client orders OTC away from any regulated or unregulated execution venue or on an SI. This can be done using inventory on a trader’s book or by filling the order on risk (which includes instances where we may be acting in the capacity of a SI).

Renaissance Capital will select an execution venue based primarily on the availability of best pricing for a particular financial instrument and the amount of accessible liquidity offered by the execution venue. In certain cases, clients may instruct the Firm to route their orders to a particular venue, use certain order types or access certain liquidity events (e.g. auctions).

As additional execution venue selection criteria, Renaissance Capital will consider the overall technical and operational offering of a venue – including connectivity, speed of execution, reliability, rules, membership and clearing requirements, as well as the costs of accessing the venue. For certain instruments there may be only one execution venue available. When executing a trade in such circumstances, Renaissance Capital will assume that the selection of that venue satisfies the best execution factor which deals with venue selection.

Renaissance Capital may select a single entity for execution if this allows it to obtain the best possible results for clients on a consistent basis and where Renaissance Capital can reasonably expect that the selected entity will enable the Firm to obtain results for clients that are at least as good as the results that it reasonably could expect from using alternative entities for execution.

For Fixed Income (Bonds) instruments only, Renaissance Capital may obtain quotes by using a non-anonymous RFQ system of a trading venue and agree the trade with its selected counterparty on that trading venue’s RFQ system. Renaissance Capital may deal on a particular venue with certain counterparties that usually approach the Firm to deal on that venue.

The Firm does not have any close links, conflicts of interest, common ownerships and/or specific arrangements with such counterparties. Information on execution brokers which are subsidiaries of Renaissance Capital can be found in the summary of the analysis and conclusions that Renaissance Capital draws from its detailed monitoring of the quality of execution obtained which is available on the Firm's website.

When executing orders or taking the decision to deal in OTC products including bespoke products, MiFID II requires that Renaissance Capital checks the fairness of the prices by gathering market data used in the estimation of the prices of such products and, where possible by comparing with similar or comparable products.

Note that for Equity and Equity-like products where Renaissance Capital is an SI in a liquid product for which it is required to provide a public quote, any transaction executed by Renaissance Capital in the capacity of SI below Standard Market Size ("SMS") that is not subject to the conditions set out in MiFIR Article 15.3 (orders that are subject to conditions other than the current market price) will be executed at Renaissance Capital's public SI quote. Renaissance Capital may, in justified cases execute those orders at a better price provided that the price falls within a public range close to market conditions. This will be subject to the general obligation to take sufficient steps to provide best execution.

Appendix A of the Policy represents for each asset class of financial instruments the list of venues that Renaissance Capital considers in order to achieve the best possible results while executing orders on behalf of clients. The list is not exhaustive and may change from time to time and includes both MiFID II and non-MiFID II eligible markets.

6. Demonstrating Best Execution

Renaissance Capital endeavors to provide best execution in relation to all relevant MiFID II business activity. However, where the client believes that it has reasonable grounds to assert that best execution was not obtained, the client can make a written request, for the Firm to provide the following:

- (a) An analysis of the reasoning used to select a particular execution venue;
- (b) Data reconstituting the trade information available to the Firm at the time.

The Firm will provide the requested information to the client within a reasonable time.

7. Specific Client Instructions

When executing an order following a specific client instruction, Renaissance Capital will execute the order in line with those instructions and will treat as satisfied its best execution obligations in respect of the part (or aspect) of the order to which those instructions relate. The remaining part (or aspect) of the order will be executed in line with this Policy.

Clients should be aware that providing Renaissance Capital with specific order instructions, may encumber the ability of the Firm to obtain the best overall result.

Where clients access a Direct Market Access platform, it is usual for the client to select specific parameters of the trade, including price, quantity, venue, nature of the order. In this respect, the client will be considered to have provided a specific instruction.

8. Receipt and transmission of orders and use of brokers (including Renaissance Capital affiliates and third-party brokers)

Subject to any specific instructions that may be given by a client, Renaissance Capital may transmit an order that it receives to another Renaissance Capital entity or to an approved third-party broker, for execution. In doing so, Renaissance Capital will act in the best interests of the client. Renaissance Capital will monitor the quality of this service from receipt and transmission of the order to final execution.

Renaissance Capital may also execute client orders via other brokers, including an affiliate of Renaissance Capital or a third party broker for a number of reasons, including but not limited to the following: (i) the client may request to place an order in a market where Renaissance Capital is not a member; (ii) local regulations in certain jurisdictions may prohibit Renaissance Capital from executing the order directly into the market in that region or requires Renaissance Capital to use an affiliate in that market.

The obligation to provide best execution applies to all types of financial instruments captured under MiFID II and is not based on whether or not the instrument is listed in the EEA. Therefore, Renaissance Capital will require its affiliates and other third-party brokers to evidence that they are providing Renaissance Capital with best execution on a consistent basis in line with the Policy.

9. Client Order Handling

All client orders will be executed promptly and expeditiously being aggregated fairly and executed in due turn. Where comparable orders are received, they will be processed sequentially, unless a specific client seeks to be treated otherwise, or in circumstances where orders have been received through different avenues. In every instance, Renaissance Capital will ensure that client orders take precedence over Firm or personal orders and that the client order will be handled equitably and to the client's best advantage.

Where applicable, in selecting an execution venue, Renaissance Capital will take steps to ensure that it does not structure or charge its commissions in such a way as to discriminate unfairly between execution venues. Renaissance Capital will disclose any inducements and fees related to the use of execution venues to clients.

10. Order Management

This Policy applies to all client orders, with specific reference to the following services or investment activities:

- (a) client order management and execution arrangements;
- (b) client order aggregation with other client orders;
- (c) client order aggregation, with Renaissance Capital 'own-book' orders;
- (d) asset allocation process for pro-rated allocations and partial executions;
- (e) limit order release process and venue publication.

The Firm undertakes to manage all client orders in accordance with the following principles:

- (a) order execution shall be prompt, fair and expeditious and processed sequentially;²
- (b) aggregation of comparable orders shall be undertaken to the client's best interests;
- (c) allocation or reallocation shall be equitable and seek to protect from client detriment.

11. Order Aggregation

To carry out a client order (i) in aggregation with either another client order, or (ii) in aggregation with a transaction for the Firm's own account, Renaissance Capital will ensure the following requirements are met:

- (a) The client has been made aware that aggregation may, in some cases, result in obtaining a less favourable price than if the order were executed separately;
- (b) The Firm, in its sole discretion and under prevailing market conditions, does reasonably believe that such action is likely to be within the client's best interests and the Firm is able to demonstrate this;
- (c) In the case of (i), the decision to aggregate and, if necessary, reallocate will be made in accordance with any client instructions, having regard to price and volume and allocated accordingly;
- (d) In the case where the Firm is given a proportionate or pro-rated allocation, Renaissance Capital will be able to demonstrate that it could not otherwise have executed the order on such favourable terms or at all, without its own participation.

12. Client Allocation

12.1. Allocation of aggregated Client and Firm orders

Renaissance Capital must maintain a diligent approach to the proper management and mitigation of all potential conflicts of interest that may arise when handling client orders. Specific operational procedures, aligned to both this and the Firm's

² Renaissance Capital recognises that there will be situations in which certain types of transaction may necessitate a deviation from prompt execution to obtain more favorable terms for clients.

Conflicts Policy, must be followed at all times. Where partial execution takes place on an aggregated order, Renaissance Capital remains at liberty to pro-rata the allocation across its own-book together with the client order. In such an event, the Firm will be in a position to reasonably demonstrate, that without its own participation, execution could not have taken place at all or on such favourable terms.

Renaissance Capital may aggregate client orders with its own orders, orders of persons connected with the Firm and orders of other clients where Renaissance Capital believes the aggregation of orders and transactions will not work to the overall disadvantage of any client whose order is to be aggregated.

12.2. Prompt Allocation

All aggregated orders will be allocated promptly and as soon as is reasonably practicable in the circumstances. Renaissance Capital will take all reasonable and appropriate steps to ensure that as little time as possible exists between execution and to facilitate the accurate and equitable allocation of assets to mitigate any conflicts that may arise during this period.

12.3. Reallocation

Renaissance Capital should not re-allocate a client order if that re-allocation is detrimental to a client. A re-allocation will be considered detrimental if unfair precedence is given to a particular client or Renaissance Capital's own order. An example of when Renaissance Capital can re-allocate an aggregated order:

- An error is identified in the intended basis of the allocation or the actual allocation. In this case the reason for re-allocation must be noted.

12.4. Misuse of Information

Renaissance Capital shall not misuse information relating to or between pending client orders. The Firm shall take all reasonable steps to prevent the misuse of such information by any relevant persons or employees. Any use by the Firm of information relating to a pending client order, in order to deal on own account in the financial instruments to which the client order relates, or in any related financial instruments, will be considered a misuse of that information.

13. Warehousing

Where necessary, due to market conditions or where it is advantageous to the client, large orders may be executed over more than one day.

Renaissance Capital may allow for the delayed allocation of the order to avoid uneconomic allocations, mitigate high settlement costs or to optimise average pricing for the client.

14. Limit Orders

Unless the client instructs us otherwise, client limit orders in shares admitted to a trading venue, that remain unexecuted under prevailing market conditions and current market price, will promptly be transmitted to a public venue to facilitate earliest possible execution.

15. Publication Arrangements

Renaissance Capital will relinquish unexecuted limit orders to the applicable order books of the relevant stock exchange.

Where this is not possible, Renaissance Capital will endeavor to take all reasonable steps to ensure that there are no barriers to accessing relevant limit order information and that publication is made on a non-discriminatory basis through one of our existing intermediary brokers.

Where clients do not wish for Renaissance Capital to publish unexecuted limit orders, which are not immediately executed under prevailing market conditions in respect of shares admitted to trading on a regulated market or traded on a regulated market, MTF or OTF, the Firm will accept a general waiver of this requirement or on a per transaction basis made to the client's usual Sales contact.

16. Monitoring

The Firm will regularly monitor the quality of the execution process provided to assess whether:

- Client's orders are being handled in compliance with this Policy; and
- Best execution is being achieved at the selected execution broker(s).

Renaissance Capital will retain documentary records to demonstrate best execution, as required. The Firm will publish annually on its website information about the volume and number of orders executed on each execution venue (or execution broker) so that clients may be able to form an opinion as to the flow of client orders from the Firm to execution venues and a summary of the analysis and conclusions it draws from its detailed monitoring of the quality of execution obtained (together, the "RTS 28 reports") (or UK equivalent for RCL, where applicable).

When acting as a SI, the Firm will publish on a quarterly basis information on the quality of execution obtained, in a machine-readable electronic format ("RTS 27 Report") (or UK equivalent for RCL, where applicable) on its website.

The RTS 28 Reports and RTS 27 Report can be found under the MiFID II Disclosure section of our website:

<https://www.rencap.com/we-are/legal-information>

Appendix A. MiFID II and Non-MiFID II Execution Venues

Renaissance Capital uses the following execution venues via approved third-party brokers (including affiliates), when obtaining best execution in accordance with this Policy and as defined by MiFID II. More information on execution venues is available in the RTS 28 Reports on our website. The list is subject to change and may be re-issued accordingly on our website. Renaissance Capital may use other venues to achieve best possible results as it is stated in the Policy.

Equity and Equity-like instruments	
Australia	Australian Stock Exchange
Australia	National Stock Exchange of Australia
Austria	Vienna Stock Exchange
Bahrain	Bahrain Bourse
Bangladesh	Dhaka Stock Exchange
Botswana	Botswana Stock Exchange
Brazil	Brazil Stock Exchange
Canada	Toronto Stock Exchange
Cyprus	Cyprus Stock Exchange
Czech Republic	Prague Stock Exchange
Egypt	Egypt (Cairo and Alexandria) Stock Exchange
France	NYSE Euronext Paris
Germany	Frankfurt Stock Exchange Deutsche Börse Xetra TradeGate Exchange
Ghana	Ghana Stock Exchange
Greece	Athens Stock Exchange
Hong Kong	Hong Kong Stock Exchange
Hungary	Budapest Stock Exchange
Iceland	Nasdaq Iceland
Ireland, UK	London Stock Exchange (IOB)
Ireland, UK	London Stock Exchange (SETS)
Israel	Tel Aviv Stock Exchange
Italy	Italian Stock Exchange
Japan	Tokyo Stock Exchange
Ivory Coast	BRVM (Bourse Regionale des Valeurs Mobilieres)
Kazakhstan	Astana International Exchange
Kenya	Nairobi Stock Exchange
Kuwait	Kuwait Stock Exchange
Luxembourg	Luxembourg Stock Exchange

Malawi	Malawi Stock Exchange
Mauritius	Stock Exchange of Mauritius
Morocco	Casablanca Stock Exchange
Namibia	Namibian Stock Exchange
Netherlands	Euronext Amsterdam
Nigeria	Nigerian Stock Exchange
Norway	Oslo Stock Exchange
Oman	Muscat Securities Market
Pakistan	Karachi Stock Exchange
Poland	Warsaw Stock Exchange
Qatar	Qatar Stock Exchange
Romania	Bucharest Stock Exchange
Russia	Moscow Exchange
Rwanda	Rwanda Stock Exchange
Saudi	Saudi Stock Exchange (Tadawul)
Senegal	BRVM (Bourse Regionale des Valeurs Mobilieres)
South Africa	Johannesburg Stock Exchange
Spain	Madrid Stock Exchange + regional exchanges
Sri Lanka	Colombo Stock Exchange
Sweden	OMX_Sweden
Switzerland	SIX Swiss Exchange
Tanzania	Dar es Salaam Stock Exchange
Tunisia	Bourse de Tunis
Turkey	Istanbul Stock Exchange
UAE	UAE (ADX), UAE (DUBAI), UAE (NASDAQ)
Uganda	Uganda Securities Exchange
USA	NASDAQ
USA	New York Stock Exchange
Zambia	Lusaka Stock Exchange
Zimbabwe	Zimbabwe Stock Exchange
Bonds	
Eurobonds	OTC
	Bloomberg MTF
	MarketAxess MTF
Local bonds	Moscow Exchange

	Local Nigerian bonds
	OTC
Derivatives	
Listed derivatives	NYSE AMEX OPTIONS
	NYSE ARESECA
	C2 OPTIONS EXCHANGE INC.
	INTERCONTINENTAL EXCHANGE
	ICE FUTURES EUROPE
	ICE FUTURES EUROPE - EQUITY PRODUCTS DIVISION
	ICE FUTURES U.S.
	MOSCOW EXCHANGE
	MOSCOW EXCHANGE-DERIVATIVES AND CLASSICA MARKET
	CBOE FUTURES EXCHANGE
	CHICAGO BOARD OF TRADE
	CHICAGO MERCANTILE EXCHANGE
	DGCX (Dubai Gold and Commodities Exchange)
	EUREX DEUTSCHLAND
	INTERNATIONAL MONETARY MARKET
	INTERNATIONAL SECURITIES EXCHANGE, LLC
	Johannesburg Stock Exchange
	LONDON METAL EXCHANGE
	LONDON STOCK EXCHANGE - DERIVATIVES MARKET
	LONDON STOCK EXCHANGE
	NASDAQ - ALL MARKETS
	NEW YORK MERCANTILE EXCHANGE
	NEW YORK STOCK EXCHANGE, INC.
OSAKA EXCHANGE	
SINGAPORE EXCHANGE DERIVATIVES CLEARING LIMITED	
OTC derivatives	OTC