

Disclosure on Overall Best Execution Policy Approach (“Disclosure”)

1. Introduction

In general, best execution is achieved if orders are executed on best available terms for CIMB’s customers. This Disclosure provides an overview on the overall best execution approach applied, and the factors considered by CIMB to achieve best execution for its customers. CIMB’s customers should read and understand this Disclosure so that they can make an informed choice when they place an order with CIMB.

CIMB will strive to take all sufficient considerations to obtain the best possible result when executing customers’ orders. CIMB has a general duty to act honestly, fairly, professionally and in the best interest of its customers.

If customers proceed to place an order with CIMB, we will take that as their consent to CIMB executing the orders in accordance with this Disclosure.

This Disclosure is issued pursuant to the MAS Notice on Execution of Customers' Orders [Notice No. SFA 04-N16] (“Best Execution Notice”); and the MAS Guidelines to MAS Notice SFA 04-N16 on Execution of Customers' Orders [Guideline No. SFA 04-G10] (“Best Execution Guidelines”).

2. Scope of this Disclosure

2.1. Customer

This Disclosure will apply to you if you are placing your order with CIMB as a person, other than an institutional investor.

If you are dealing with us as an accredited or expert investor, CIMB will determine whether you are placing a legitimate reliance on us to provide best execution to you based on the following criteria:

- a. Who initiated the transaction – If the transaction is initiated by you, it is less likely that you are placing legitimate reliance on us.
- b. Market practice and ability of customer to obtain quotes from various providers – where you will have ready access to obtain quotes from various providers, it is less likely that you are placing legitimate reliance on us.
- c. Relative levels of transparency within the market – Where pricing information are transparent and it is reasonable that you have access to such information, it is less likely that you are placing legitimate reliance on us.
- d. Information provided by the customer and any agreement reached – where any agreements or arrangements with you (including provisions under this Disclosure) do not indicate or suggest that an understanding has been reached that you will place any legitimate reliance on us.

2.2. Orders and Quotes

To further clarify, CIMB is only bound by this Disclosure if we are carrying out an order or quoting firm prices to you.

2.3. Products

This Disclosure is applicable to capital market products that falls within the Monetary Authority of Singapore's (MAS) definition (under the Securities and Futures Act (SFA)) of securities, units in Collective Investment scheme ("CIS"), derivatives contract, and spot foreign exchange (FX) contracts for the purpose of leveraged FX trading.

2.4. Capacity

CIMB is bound by this disclosure under its capacity as both Principal and Agent.

3. Application of Execution Factors

Best Execution is the process by which CIMB seeks to obtain the best possible result for you when executing your orders. The best possible result will vary as CIMB must take into account a range of execution factors and determine its priorities, as described below:

3.1. Execution Factors

CIMB considers the following as important to its customers when executing an order:

- i. Price – the market price at which the order is executed
- ii. Cost – any additional charges that may be incurred by its customers
- iii. Speed – whether the execution needs to be done instantly. This is particularly important in fast moving markets
- iv. Likelihood of execution and settlement – for e.g. to place an order at an execution venue or broker where it is more likely to get settled despite not having the best price.
- v. Size and nature of the order – for e.g., the way a standard size order is executed may differ from an odd size order.
- vi. Market impact – the likelihood of market impact if the order is executed or shown.
- vii. Other relevant considerations.

3.2. Other Factors Affecting Execution

In determining the relative importance of the execution factors above, some of the factors below may be taken into consideration:

- i. Characteristic of the customer's order – for example:
 - Size of order
- ii. Characteristic of product – for example:
 - Listed or unlisted
 - Liquidity
 - Vanilla or complex
 - Asset class
 - Market conditions
- iii. Available execution venues and brokers – for example
 - Single or multiple venues
 - Facing a trading venue, counterparties, broker, or an issuer
- iv. Availability of market data and quotes
- v. Other relevant criteria

4. Specific Instruction

Where there are specific instructions provided by you in relation to an order (for e.g. a specific price, execution venue or broker), CIMB will strive to follow these instructions in its execution when carrying out your order. When CIMB places and/or executes an order following specific instructions from you, CIMB would be regarded as having satisfied its best execution obligations under the Best Execution Notice and Best Execution Guidelines in respect of the part or aspect of the order to which your instructions relate. If there are no specific instructions, CIMB will execute your orders in accordance with this Disclosure.”

5. Execution Venues

In carrying out customers’ orders, CIMB deals with a number of execution venues such as follows:

- i. CIMB’s dealing counterparties in regulated markets
- ii. CIMB’s panel brokers and execution brokers
- iii. Directly via regulated exchanges or trading platforms
- iv. Internal liquidity provided by CIMB’s own flow
- v. CIMB’s own market making and trading desks

CIMB strives to select the execution venue or brokers that is able to achieve best execution for its customers. However, this is subject to availability of the execution venues and brokers to CIMB (e.g. markets, counterparties or brokers which it can access).

6. Comparable Orders

In general, CIMB ensures that comparable orders are processed and executed according to its time of receipt, where preference will be given on sequential basis. CIMB considers comparable orders to be orders of the same instrument in standard lots / sizes.

7. Automated Order Routing System

For orders which are processed based on algorithms programmed into automated order routing systems, CIMB will conduct periodic assessments to verify that the system prioritises comparable orders on a sequential basis.

8. Monitoring Obligations

To ensure that its best execution policy is carried out consistently, CIMB performs periodic effectiveness testing on the key requirements of its best execution policy.

9. Risks of volatile markets

Customers should be aware of the following risks associated with volatile markets:

- i. Execution at a substantially different price from the quoted bid or offer or the last reported price at the time of order, as well as partial executions or execution of large orders in several transactions at different prices.
- ii. Delays in executing orders in situations where CIMB must send to external market makers and manually routed or manually executed orders.
- iii. Opening prices that may differ substantially from the previous days close.
- iv. Suspensions and interventions of markets which may prevent orders being execute