

CORONATION

Best Execution Policy

Public

DOCUMENT HISTORY

Date	Version	Comment
June 2020	1	
March 2025	2	

AUDIENCE / SCOPE OF THE POLICY

This Policy outlines the framework by which Coronation Securities Limited (“CSEC” or “the Company”) ensures best execution and fair handling of client orders in all its trading activities. The Policy applies to all staff involved in the execution and management of client orders, including institutional, retail, and high-net-worth (HNW) clients.

OWNERSHIP OF THE POLICY

The Compliance Department holds ownership of this document and is responsible for ensuring its dissemination, training, adherence, and periodic updates.

REVIEW OF POLICY

The Policy shall be reviewed annually or as regulatory, technological, or business developments necessitate to ensure continued relevance and alignment with industry best practices.

1 Policy Statement

1.1 The business of Coronation Securities Ltd (hereinafter referred to as “CSEC”) is built on trust and integrity. The Company commits to upholding the highest standards of professional conduct and client service by:

- Ensuring that client interests are placed first.
- Maintaining compliance with applicable laws, internal codes of ethics, and regulatory standards

2 Policy

2.1 When does this Policy apply?

This Policy applies to all This Policy applies to all transactions executed on behalf of clients across all security classes including equities, fixed income instruments, ETFs, and other regulated financial products.

2.2 Execution Factors

CSEC evaluates execution quality based on a composite of the following factors:

- 1 **Price:** Prevailing market price and potential for price improvement.
- 2 **Cost:** Total consideration, including fees, commissions, and clearing costs.
- 3 **Speed:** Timeliness of execution without unnecessary delays.
- 4 **Likelihood of Execution and Settlement:** Counterparty risk, liquidity conditions, and post-trade clearing.
- 5 **Order Size and Nature:** Potential market impact and urgency.
- 6 **Venue Capabilities:** Market depth, technology infrastructure, and trading conditions across venues.

Execution strategies may differ depending on client type, order complexity, security class, and market conditions.

2.3 Client Order Handling

CSEC ensures that all client orders are:

- 1 **Handled Promptly and Fairly:** All instructions are processed without undue delay, and client interests are not compromised.
- 2 **Recorded and Allocated Accurately:** Every executed order is systematically logged and allocated as per the client’s instructions.
- 3 **Segregated from Other Orders:** Orders are executed independently and not aggregated with other client mandates or proprietary positions, in accordance with regulatory requirements.
- 4 **Protected from Misuse:** Insider or pending order information shall be safeguarded through internal controls and information barriers.

2.4 Direct Market Access (DMA)

Where a client utilize CSEC's **Direct Market Access (DMA)** infrastructure:

- Clients retain full control over order parameters (e.g., price, volume, timing).
- Orders are transmitted immediately to the trading venue.
- CSEC considers the client to have provided specific instructions, and therefore, its best execution obligations are deemed fulfilled for that order.

Clients using DMA must comply with all applicable laws and market conduct rules, including those prescribed by The Nigerian Exchange Limited (NGX).

2.5 Client Communications

2.5.1 CSEC shall notify its clients of the regulatory provisions of this Policy, any material changes therein that may affect their transactions.

2.5.2 CSEC shall promptly disclose any material difficulties that can impact the proper execution of mandates upon discovery.

2.6 Monitoring and Oversight

2.6.1 CSEC shall:

- Continuously monitor the effectiveness of its execution arrangements.
- Identify any execution deficiencies and take corrective actions where needed.
- Perform periodic reviews (at least annually) of order execution data to assess compliance with this Policy.

Monitoring includes post-trade analysis, venue comparisons, transaction cost analysis (TCA), and client feedback mechanisms.

3 Definitions

3.1 Client Mandate/Order:

A formal instruction from a client authorizing the purchase or sale of a security via CSEC.

3.2 Best Execution

"Best execution" refers to the obligation on the firm, when executing or arranging the execution of a client order, to take all reasonable steps to obtain the best possible result for its clients. The obligation to take all sufficient steps to obtain the best possible result for clients, considering various execution factors.

3.3 Direct Market Access

A trading arrangement that enables clients to place orders directly into the Exchange's order book using CSEC's infrastructure, subject to regulatory oversight.

4. Compliance Statement

This Policy is designed in line with:

- **The Nigerian Exchange (NGX) Rules** on Order Handling and Best Execution.
- **SEC Nigeria Regulations** and applicable capital market standards.
- **Global best practices** for trade execution as seen in MiFID II, IOSCO guidelines, and CFA Institute's standards for fair dealing.