

RenCap Securities (Nigeria) Limited

Order Execution Policy

Applicability and Objectives	1.	This Policy is issued to set out RenCap Securities (Nigeria) Limited Order Execution practice.		
	2.	The Policy’s objective is to provide guidance on orders executed by the Firm on behalf of clients on securities executed on the NGX, NASD, FMDQ or any other capital market trade point recognised and authorised by the Securities and Exchange Commission in Nigeria.		
	3.	The Policy follows the NGX Rules on Order Handling and Best Execution as well as Global best practices.		
	4.	It is essential that all relevant employees (both full time and part time, including direct employees of RenCap Securities (Nigeria) Limited and seconded or other relevant employees within the RenCap matrix organization) understand and comply with this Policy.		
	5.	Failure to observe the requirements of this Policy may result in disciplinary or legal action by the Firm as well as regulatory actions.		
It is the policy of RenCap to maintain high standards of internal governance and a sound system of internal control processes and procedures. This document sets out the control standards and procedures that should exist in relation to this area. It is the responsibility of all departments, including both the Front Office and Back Office, to achieve the application and objectives of the Policy. Senior Management take ultimate responsibility for this Policy and ensuring that it is applied across RenCap.				
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		Samuel Sule Chairman of the Board	The Board 	February 2026
Effective from		May 1 2020	Next review date	
Version no:	Date:	Author:	Comments:	
2	July 31 2022	Nicholas Okonkwo	Updating with RenCap information	
3	May 10 2023	Nicholas Okonkwo	Changes to reflect the potential divestment from the Renaissance Capital Group to RC Africa.	
4	September 10 2024	Nicholas Okonkwo	General review	
5	January 2025	Nicholas Okonkwo	General review	
6	January 2026	Nicholas Okonkwo	Included international securities exchange in our service offering	

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1. Introduction

This Order Execution Policy (the “**Policy**”) is intended to provide clients with information relating to the order execution arrangements that RenCap Securities (Nigeria) Limited (“**RenCap**”, or the “**Firm**”) have in place to comply with the requirements for order handling and best execution of transactions on behalf of clients. This includes the prohibition of preference to customer’s account over any other customer which affects the priority in which the executions were made.

The Firm aims at obtaining a combination of price in a transaction that is most favourable to the client under prevailing market conditions.

By giving RenCap orders for execution after receiving this Policy, you will be deemed to have consented to having your orders handled by RenCap in accordance with this Policy, except for situations where RenCap has received specific instructions.

2. Scope

This policy applies to orders executed by the Firm on behalf of clients on securities executed on the NGX, NASD, FMDQ or any other capital market trade point recognised and authorised by the Securities and Exchange Commission in Nigeria and any international securities exchange.

On request, when RenCap provides quotes (“**Request for Quote**” or “**RFQ**”) or negotiates a price with you, RenCap 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 RenCap to obtain the best possible result.

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

- (a) Where you are relying on RenCap to achieve best execution outcome, i.e. for RenCap 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 RenCap approaches you, and suggest that you should enter into a transaction, it is more likely that you will be placing reliance on RenCap. 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 RenCap;
- 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 RenCap. 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 RenCap; and

¹ European Commission’s Working Document ESC-07-2007

- d) The information provided by RenCap 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 RenCap.

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

3. Review

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 access the arrangements which the Firm has in place to achieve best execution on a consistent basis and at least annually. What is material will depend on the nature and scope of any change. The most recent version of this Policy will always be available on our website www.rencapafrika.com, and we will endeavour 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, RenCap 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, RenCap will take into consideration the following criteria:

- a. the characteristics of the client;
- b. the characteristics of the order, including any specific instructions received;
- c. the characteristics of the financial instrument to which the order relates, including where the order involves a securities financing transaction;
- d. 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 nor 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):

- a. 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;
- b. 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;
- c. There may also be 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;
 - d. 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;
 - e. Exchange traded derivatives are traded as single exchange contracts, where the client generally provides RenCap with a specific instruction regarding the contract they wish to trade. RenCap will select the single venue and execution broker available based on that specific instruction;
 - f. 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 RenCap 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.

5. Selection of Execution Venues

Execution venue means a regulated market or any other trading facility that performs a similar function. RenCap 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 RenCap knows it will not be able to obtain best execution, the order will be routed to another approved venue where the Financial Instrument is being traded. 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) Nigerian Exchange Limited (NGX)
- (b) NASD OTC Exchange (NASD)
- (c) FMDQ Securities Exchange (FMDQ)
- (d) any other capital market trade point recognised and authorised by the Securities and Exchange Commission in Nigeria

RenCap 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, RenCap 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 RenCap will assume that the selection of that venue satisfies the best execution factor which deals with venue selection.

RenCap 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 RenCap 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.

When executing orders or taking the decision to deal in OTC products including bespoke products RenCap checks the fairness of the prices by gathering market data used in the estimation of the price of such product and, where possible by comparing with similar or comparable products.

6. Demonstrating Best Execution

RenCap endeavours to provide best execution in relation to all relevant 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.

7. Specific Client Instructions

When executing an order following a specific client instruction, RenCap 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 RenCap with specific order instructions, may encumber the ability of Firm to obtain the best overall result.

8. 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, RenCap 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, RenCap 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. RenCap will disclose any inducements and fees related to the use of execution venues to clients.

9. 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 RenCap '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;
- (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.

10. 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, RenCap 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, RenCap 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.

11. Client Allocation

11.1. Allocation of aggregated Client and Firm orders

RenCap 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 Conflicts Policy, must be followed at all times. Where partial execution takes place on an aggregated order, RenCap 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.

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

11.2. Prompt Allocation

All aggregated orders will be allocated promptly and as soon as is reasonably practicable in the circumstances. RenCap 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.

11.3. Reallocation

RenCap 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 RenCap's own order. An example of when RenCap can re-allocate an aggregated order is where an error is identified in the intended basis of the allocation or the actual allocation. In this case the reason for reallocation must be noted.

11.4. Misuse of Information

RenCap 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.

12. Warehousing

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

RenCap 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.

13. Publication Arrangements

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

Where this is not possible, RenCap will endeavour 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 RenCap 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, the Firm will accept a general waiver of this requirement or on a per transaction basis made to the client's usual Sales contact.

14. Monitoring

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

- a. Client's orders are being handled in compliance with this Policy; and
- b. Best execution is being achieved.

RenCap will retain documentary records to demonstrate best execution, as required.