

BEST EXECUTION PRACTICE

1. Introduction

Monetary Authority of Singapore (“MAS”) issued a Notice and Guidelines on Execution of Customer’s Orders on 3 September 2020. The Notice and Guidelines are effective 3 March 2022 and apply to all Capital Market Intermediaries (CMI)s regulated by the Monetary Authority of Singapore (“MAS”), and are part of efforts to establish and implement written policies and procedures that are commensurate with the nature, scale and complexity of an organization’s business to place and/or execute customers’ orders on the best available terms, and comparable customers’ orders in accordance with the time of receipt. Dicree Pte. Ltd. (“DICREE” or the “Company”) holds a Capital Market Service (“CMS”) License issued and regulated by the MAS, and is required to comply with the Notice, with guidance from the Guidelines.

1.1 Purpose and Objective(s)

DICREE has established the Best Execution Policy & Procedures (“the Policy”) to document the following:

- execution factors to be considered on receipt of customer orders (including but not limited to price, cost, speed, size and nature, likelihood, and comparable orders)
- monitoring of ongoing best execution
- disclosure to customers on order execution

The Policy applies to all customer orders accepted by the Company for the purchase or sale of capital market products (including but not limited to securities, exchange-traded derivatives contract and units or shares in collective investment scheme). The Company may also accept specific instructions from a customer as to how an order is to be executed.

2. Best Practice Obligations

This section of the policy reflects the key requirements and expectations from DICREE relating to best execution of their customers’ orders.

2.1 Best Execution Factors

DICREE will consider a range of different execution factors in deciding how to place order for execution. These will at least include but are not limited to:

- Price –This is the price at which order will be executed (excluding any execution charges or charges as per Tiger Broker’s fee schedule).
- Costs of execution-Implicit or explicit costs (i.e., expenses incurred from entering into the transactions and any associated activity(e.g., hedging)).
- Speed of execution or settlement –The time it takes to execute or settle it’s an order.
- Likelihood of execution or settlement –The likelihood that DICREE will be able to fill the order or at least a substantial part of it.
- Size and Nature of the customer’s order –The size, and nature(e.g. specific instructions)of the order may affect the price of execution e.g. exceptionally large market moving orders or with limited counterparties willing to quote.
- Comparable Customer Orders -For orders which are received from different customers and are identical/ comparable, DICREE will place/execute in accordance with the time of receipt of the order.
- Any other considerations relevant to the placement and/or execution of the order.

The above execution factors indicate the importance of being able to exercise the appropriate judgement in the best interest of the customer given the differing needs and requirements of each customer transactions. Consideration of the above execution factors will be documented accordingly.

While determining the relative importance of each execution factor, DICREE will take into account the following considerations:

- types of customer (including the regulatory categorization of customers);
- characteristics of the orders (including any specific instructions received);

- types of the capital market products that are the subject of the transactions; and
- characteristics of the execution venues or brokers to which the order can be directed.

The product in scope for this policy refers to Listed Financial Instruments. Financial instruments that are listed on and executed on regulated exchanges, including but not limited to, Singapore Exchange (SGX), Hong Kong Exchange (HKEX), New York Stock Exchange (NYSE) etc. These exchanges display the bid and offers for both securities and listed derivatives, limiting the need for additional price discovery.

For illiquid instruments, traders and dealers will assess the market conditions and evaluate the risk in which the order / trade may impact the market and overall execution outcome. Prices will be obtained from relevant exchange data feed and customers will be informed of the bid / ask spreads and levels before execution.

DICREE does not evaluate customer profile for every trade, customer profiles are (generally) reviewed/evaluated at the time of customer registration. Customer assessment criteria is part of the account opening process and required forms are available on the company website - <https://www.tigerbrokers.com.sg>.

2.2 Specific Instructions

Where the customer provides DICREE with a specific instruction in relation to an order, DICREE will follow that instruction so far as is reasonably possible when executing. By following customer's specific instruction, DICREE will satisfy the obligation to provide the customer with best execution in relation to that transaction. Examples of such instructions may include but are not limited to requests to execute on a particular venue or to execute an order over a particular timeframe. However, a specific instruction from the customer may prevent DICREE from taking the steps that it has designed and implemented in this Policy to obtain the best possible result for the execution of those orders in respect of the portion of the trade covered by the specific instruction.

DICREE place and / or execute a customer's order in accordance with the specific instruction given by the customer with reasonableness and due diligence. DICREE reserves the right to not pick up / reject orders in which we believe may impact the market negatively or if it goes against relevant exchange rules. In accordance with MAS Notice SFA 04-N16 on Execution of Customers' Orders, when the order is placed and / or executed following the specific instruction from the customer, it would be regarded as having satisfied its Best Execution obligations.

2.3 Order Placement and/or Execution

On top of following specific instructions, Best Execution is achieved through various checks such as confirming held positions of the customers', ensuring that the trades will not impact the market negatively etc. Prices of instruments are obtained from the open market, directly from the exchange market data feed and there is no comparison of quotes between different brokers. Orders are received and placed in chronological order, "first come first served" basis, using timestamps of the orders received and executed.

3. Execution Venue and Brokers

DICREEs Dealing Operation Manual includes details of execution brokers which DICREE uses in respect of each class of financial instruments when executing and placing orders. The execution venue or brokers have execution arrangements that will enable DICREE to comply with this Policy and its obligations in relation to best execution. In selecting an execution venue to execute the customer orders where DICREE acts/trades as agent, DICREE will take into account the execution factors above including information published by execution venues on their execution quality and also consider respective merits of each execution venue in order to obtain, on a consistent basis, the best possible result. On an on-going basis, the Company will review the execution venues/brokers used to determine whether they continue to provide the best possible result for customers as well as assess the possibility of using new venues/brokers.

4. Disclosure to Customers

DICREE will provide information to the customers about the Policy in writing or published on its website. All orders disclosure and disclaimer are part of the terms & conditions which are available on the company website - <https://www.dicree.com>.

Any material changes to this Policy will be communicated to customers in the same manner.

5. Monitoring

DICREE will ensure on an ongoing basis (i) compliance with its Best Execution policies and procedures and (ii) effectiveness of its Best Execution policies and procedures. In ensuring the effectiveness, the first line of defence is responsible for assessing that the execution of transactions have delivered the best available terms to its customers on a day-to-day basis.

DICREE will review its order execution arrangements or whenever a material change occurs that affects its ability to obtain the best result for the execution of its orders.

Compliance Monitoring

Compliance is responsible as part of the second line of defence, to conduct post trade monitoring. The team would conduct quarterly reviews using a risk-based sampling methodology to check for adherence and operating effectiveness of the policies and procedures. The monitoring arrangement, method and frequency may from time to time be modified to commensurate with the nature, scale and complexity of the business. Outcome of the review and exceptions are presented to the Risk and Compliance Committee.

6. Payment for Order Flow

Payment for order flow ("PFOF") refers to commission or other form of payment which a CMS broker receives from another broker or counterparty in return for routing customers' orders to that broker or counterparty.

From 1 April 2023, MAS prohibits CMS Brokers from receiving PFOF in placing and/or executing customers' orders. As PFOF introduces conflict of interests as the CMS Brokers is incentivized to pursue commission or other form of payment from another broker or counterparty in return for routing customers' orders to that broker or counterparty for its own benefit. This is not consistent with the CMS Broker's duty to provide Best Execution to customers.

DICREE does not engage in PFOF.