

Best execution policy

Macquarie Equities Limited

Macquarie Equities Limited (MEL), when handling and executing your orders, is required to take reasonable steps to obtain the best outcome for you as its client. This is known as the Best Execution obligation and is outlined in this Policy.

Scope of MEL's Best Execution obligation

The Best Execution obligation applies to all client orders in Equity Market Products and Commonwealth Government Securities (CGS) Depository Interests that MEL executes as the Market Participant.

Equity Market Products include:

- shares
- interests in managed investment schemes (including exchange traded funds)
- rights to acquire shares or interests in managed investment schemes under a rights issue
- CHESS depository interests, and
- transferable custody receipts,

which have been admitted for quotation by the relevant Market Operator.

The purpose of this Best Execution Policy is to provide you with adequate information so that you are able to make an informed decision about how to instruct MEL to handle and execute your orders.

How does this obligation affect the execution of your orders?

In accordance with Part 3.8 of the ASIC Market Integrity Rules (Securities Markets) 2017, MEL will take reasonable steps to obtain the best outcome for you when handling and executing your orders. Best outcome (for both retail and wholesale clients (as defined by the Corporations Act)) means the best total consideration which is:

- **Buy orders:** the lowest purchase price for a buy order plus transaction costs, or
- **Sell orders:** the highest sale price received for a sell order minus transaction costs.

Transaction costs include execution costs (including brokerage) as well as clearing and settlement costs.

Achieving the best outcome for a particular order can be a complex process, as it may depend on a number of factors such as prevailing market conditions (e.g. liquidity), order instructions and your own circumstances. MEL's Best Execution Policy does not impose a requirement to achieve the best outcome for each client order – rather the focus is on establishing procedures whereby MEL takes reasonable steps to achieve the best outcome for each client order.

Where will my orders be executed?

MEL will execute your orders on the following venues / order books in the normal course of trading:

- ASX TradeMatch
- ASX Centre Point
- CBOE Australia

Unless directed by you to execute on a particular venue, MEL will take reasonable steps to execute each order in the manner and through the venue which is able to provide the best outcome.

How will my orders be executed?

MEL will seek to execute your orders at the best possible price, taking into account the circumstances of your order and market obligations. Orders (other than At Best orders) will be executed in the sequence in which they are received and otherwise as expeditiously as practicable.

MEL may use a Smart Order Router ("SOR") to direct your order to one or more venues for execution. MEL will utilise the Best Market Router ("BMR") supplied by an external vendor to manage MEL's Best Execution obligations unless otherwise agreed with you.

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Orders that involve the exercise of discretion by MEL in relation to the timing, price and method of execution will be submitted for execution in such manner and at such time as MEL deems appropriate to obtain the best outcome. When using discretion, MEL may consider the characteristics of each order, client instruction and execution preferences.

Where it assists in achieving the best outcome for you, MEL may act on behalf of both the buyer and seller by way of a manual crossing. MEL will not execute a crossing over another method of executing your order where this is inconsistent with achieving the best outcome for you. MEL does not operate an internal crossing system.

Should you have specific instructions about how aspects of your order(s) should be executed, MEL will take reasonable steps to satisfy those instructions. However, such instructions may be inconsistent with MEL's Best Execution policy and prevent you from obtaining the best outcome. MEL is unable to execute your specific instructions if those instructions conflict with other obligations under the Corporations Act, ASIC Market Integrity Rules or other relevant laws.

MEL will not take steps to induce you to provide instructions that are inconsistent with obtaining the best outcome for you.

Where part of an order does not trade immediately, the remainder of that order will rest on ASX TradeMatch. Once rested, if the price of an alternative market changes, the order will not transmit to the alternative order book unless there is an instruction from you, as to do so may mean a loss of priority.

Where you instruct to trade at "market on open" or "market on close", MEL will treat this as a reference to the opening or closing auction prices on ASX TradeMatch. Transactions completed during ASX TradeMatch auction periods will be reported in accordance with applicable rules.

Where an execution venue is unavailable (such as a market outage, differing trading hours or outside trading hours), MEL may execute orders on any remaining open execution venue where this is consistent with this Best Execution Policy.

Manual or electronic execution

Your order will be executed either manually or electronically.

If your order is executed manually, your MEL authorised order taker will enter your order into one of MEL's trading platforms or pass your instruction to a MEL Designated Trade Representative (DTR). Your order will then be executed by a DTR. Orders placed via an adviser allow you to provide specific instructions regarding your order. In certain circumstances, MEL may direct orders manually into a specific venue.

If your order is executed electronically, it will be entered via an online trading platform. These orders are managed via Automated Order Processing prior to being executed with MEL.

Changes to MEL's execution

MEL periodically reviews and monitors its Best Execution procedures, practices and connections to alternative execution venues, to ensure it continues to comply with its best execution obligations.

MEL will update you if there is a material change to its Best Execution Policy. A current version of MEL's Best Execution Policy is available on the following website: **macquarie.com.au/melbestexecution**

Contact Us

On receipt of a reasonable request from you, we will provide evidence of how your order has been executed in accordance with MEL's Best Execution Policy. You can do this by:

- speaking to your adviser
- emailing **macquariewealth@macquarie.com**