

# Order Execution Policy



## Order Execution Policy (Best Execution) – unlisted property funds

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This policy statement outlines the process that Aberdeen Property Investors UK Limited ("Aberdeen") follows when executing trades or transmitting orders for execution, to a third party on behalf of its clients in relation to unlisted property funds. This order execution policy integrates Aberdeen's obligations under the EU Market in Financial Instruments Directive ("MiFID") contained in Articles 21 and 45 as applicable, and covers all relevant securities.

### Scope and best execution

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Best execution under MiFID applies to professional and retail clients and to all financial instruments dealt in the course of carrying out investment management business in the European Economic Area. It is a multifaceted test, with a requirement for Aberdeen to take all reasonable steps to consistently obtain the best possible result for clients through its order execution policy.

Aberdeen's order execution policy ensures that the criteria used for its definition of best execution, and therefore execution venues, includes regulatory and industry best practices

### Execution factors

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When executing trades or transmitting orders for execution, Aberdeen will take into account various execution factors whilst also taking all reasonable steps to obtain the best possible result.

Whilst it is acknowledged that the market for different asset classes may put stress on different aspects of transactions, the list below contains overall those execution factors which Aberdeen considers and takes into account in its analysis of whether it, or its execution venues, are delivering best execution.

Within this context Aberdeen views best execution holistically, taking account of both quantitative and qualitative factors. In addition, Aberdeen will routinely consider the available execution venues as part of the order execution process. Aberdeen will determine the relative importance of the execution factors by using its industry experience, expertise and judgement, in light of available market information with the prime aim of prompt, fair and expeditious execution of trades. This applies to all types of financial instrument dealt.

Execution factors include but are not limited to:

- Price
- Cost or commissions of execution
- The current liquidity for the relevant instrument
- The size and nature of the order
- Market impact of the transaction
- The quality of order execution
- Execution capability
- Financial status, responsibility and solvency of the counterparty
- Responsiveness of the broker or venue
- The quality and efficiency of the settlement process post execution

### Execution venues

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There are no regulated venues for unlisted property funds. Alternative methods of undertaking transactions include privately negotiated agreements between the vendors and purchasers of interests in unlisted property funds, which may also involve a third party intermediary.

### Regulated and unregulated markets

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Aberdeen will execute trades or transmit orders outside of regulated markets or multilateral trading facilities.

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## Client express instructions

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Aberdeen will transact orders or transmit orders for execution in accordance with express instructions from clients. These transactions may not specifically meet the Aberdeen best execution factor considerations, but will be deemed to achieve the best possible result for clients, and is therefore in compliance with MiFID requirements.

## Execution orders with client conditions attached

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Orders which include client conditions will be executed in compliance with MiFID requirements and, as far as possible, client requirements as long as the overriding responsibility to achieve the best possible result for clients is not compromised. Examples of such orders include, but are not limited to, orders with directed brokerage arrangements attached (commission recapture).

## Order handling policy and record keeping

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All client orders are promptly and accurately recorded and allocated, and details of executed trades are maintained on the Aberdeen systems.

## Aggregation and allocation

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Aberdeen maintains policies surrounding the aggregation of orders within its operating procedures. Comparable orders are in general executed in bloc format if the orders are generated simultaneously, and allocated in line with Aberdeen fair allocation procedures.

## Responsibilities and execution criteria

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Responsibility for day-to-day fulfilment of best execution lies with the executor of the trade, whether this is the "fund manager" directly or a dealer.

It is Aberdeen policy that all asset classes follow the general Aberdeen best execution policy, but with tailored order execution procedures based on market characteristics of the subject asset class. The execution criteria that are taken into account include execution factors, client, order, instrument type (or asset class) and available execution venues. Aberdeen will monitor compliance of its best execution policy in a manner appropriate to each asset class.

## Oversight of order execution policy

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Aberdeen delegates ongoing responsibility to its Trade Order Management Committee to keep the policy on best execution under annual review and ensure that any regulatory developments in this area are identified.