ORDER HANDLING AND EXECUTION POLICY

Entity/Entities Application: Morningstar Wealth UK[1]
Issuer and Owner: Compliance UK, Wealth Retirement and Research
Effective Date: October 1, 2026

I. Purpose, Overview, and Scope

Commensurate to the activities of Morningstar Wealth UK, the Order Handling and Execution Policy ("Policy") sets the parameters pertaining to order handling and execution arrangements, where Morningstar Wealth UK transmits orders for execution to external investment firms, in accordance with the applicable regulations.

Morningstar Wealth UK must take all reasonable steps to obtain the best possible result for clients by considering the applicable factors relevant to the execution of orders.

As relevant, the Policy sets out the different arrangements required to address order handling and execution obligations for Morningstar Wealth UK investment management activities and services and those activities and services delivered through the Morningstar Wealth UK investment platform.

Application of the requirements and restrictions, documented in section II, intends to appropriately mitigate relevant regulatory exposures. In accordance with Financial Conduct Authority ("FCA") rules, Morningstar Wealth UK is required to publish this Policy, making it available to its clients.

II. Requirements and Restrictions

A. Order Handling, Client's Best Interest, and Order Execution

Order handling pertains to the arrangements required for the executing of orders, on behalf of clients, including the transmission of orders to other entities for execution. Morningstar Wealth UK must ensure order handling arrangements are conducted in a prompt, fair and expeditious manner and must take all sufficient steps to obtain the best possible result for clients.

The client's best interest rule requires Morningstar Wealth UK to act honestly, fairly and professionally, in accordance with the best interests of its clients and must be applied accordingly to client directed orders. For the avoidance of doubt, Morningstar Wealth does not offer a 'dealing on own account' facility.

Effective application of the Policy intends to support Morningstar Wealth UK's efforts to deliver good outcomes for consumers, appropriate utilisation of its products and services, and compliance with the applicable requirements of Consumer Duty.

Firms involved in transmission of a client order must collectively achieve the best available execution. Best execution requirements do not demand firms achieve the best possible result with every trade, rather that firms take all sufficient steps to obtain the best possible result for clients.

The obligation to obtain best execution applies to all financial instruments. However, given the differentiation between the structures of both markets and financial instruments, due consideration must be given to those conditions, with best execution obligations applied accordingly. Therefore, Morningstar Wealth UK's ability to obtain best execution must appropriately consider all relevant circumstances surrounding the execution of orders, relative to the financial instruments traded.

[1] For the purposes of this Policy, Morningstar Wealth UK consists of Morningstar Wealth Administration Limited, Morningstar Wealth Retirement Services Limited and Morningstar Investment Management Europe Limited.

Morningstar Wealth UK applies two distinct approaches to order handling execution – execution only and best execution.

Execution only is applied when Morningstar Wealth UK facilitates execution further to receipt of a client directed order, incorporating specific instructions. For all other order handling, Morningstar Wealth UK must apply best execution.

B. Execution Only

When a client directed order is received, incorporating specific client instructions, Morningstar Wealth UK must execute the order on an execution only basis and in accordance with the specific instruction.

Morningstar Wealth UK must apply the client's best interest rule accordingly to execution only items. Any factors inherent to best execution will only be considered and applied as relevant to the specific client instruction received.

For the purpose of order handling, the client's best interest requirement addresses the overriding obligation that Morningstar Wealth UK must not induce a client to instruct order execution in a particular way.

Therefore, where specific instructions are received from the client and execution only is applied, Morningstar Wealth UK may not be able to achieve the best possible result when executing a client order or transmitting that order to, another entity for execution.

C. Best Execution

Best execution is the requirement to take sufficient steps to obtain the best possible result for clients and Morningstar Wealth UK must consider the following factors when executing orders:

i. price;
ii. costs, including commission and other charges;
iii. speed;
iv. likelihood and settlement;
v. size and nature of the order; or
vi. any other consideration, relevant to order execution.

Where the best execution approach is applied, Morningstar Wealth UK must consider the client's individual needs, rather than use a standardised approach. Under best execution, price is just one factor for consideration, rather than the most important.

Given the inherent, structural differences in markets and financial instruments, a uniform standard for best execution cannot be applied. Morningstar Wealth UK must apply best execution in a manner that appropriately considers all relevant circumstances surrounding the execution of orders, relative to the financial instruments traded.

D. Morningstar Investment Management – Arrangements and Obligations

Morningstar Investment Management Europe Ltd ("MIME") is the discretionary investment manager for Morningstar Wealth UK's Managed Portfolios and Multi-Asset Funds. All MIME clients are categorised as 'Professional'. As such, MIME is obligated to provide best execution.

As appropriate, MIME's clients select the MIME managed portfolio, best suited to the investor's objectives, as well as the Investment Platform through which the MIME managed portfolio is accessed.

For the provision of managed portfolios, MIME operates under the 'agent as client' arrangement. This results in MIME having no visibility of the end investor. Therefore, as it pertains to the related activities of the associated investment platform, MIME does not ascertain details of the corresponding trading activity undertaken by the platform, or the execution venues utilised for these purposes.

MIME is responsible for transmitting orders, for execution, to the investment platform on which the client's investments are placed. Consequently, MIME does not execute client orders directly, resulting in MIME's best execution considerations predominantly concerned with the timely transmission of orders to the associated investment platform.

MIME and any related parties (intermediary clients, the related platforms, custodians, etc.), have a duty to be aware of and facilitate accordingly, the associated best execution obligations owed by each of the process participants.

Given MIME is only transmitting, as opposed to directly executing orders, there is no requirement to obtain Order Handing and Best Execution Policy consent from MIME clients.

i. Collective Investment Schemes ("CIS") and Undertakings for Collective Investments in Transferable Securities ("UCITS"):
When handling CIS and UCITS instructions, MIME can only secure subscriptions or redemptions through order routing to the administrator of the associated scheme.

The price achieved pertains to the daily Net Asset Value (referred to as 'NAV') of the associated scheme and so there is no alternative venue available when seeking price improvement. Therefore, timeliness and certainty (the ability to execute the order) are the most important execution factors and must constitute the fundamental considerations when facilitating the applicable order handling processes.

ii. Exchange Traded Funds ("ETFs"):
MIME transmits all ETF orders to an external broker for execution and places reliance on that broker to ensure the client obtains the best possible outcome. MIME engages with WBS Solutions Limited as primary broker to facilitate transactions in ETFs.

MIME's use of an external broker enables a wider access to a range of market makers and liquidity providers, each bidding to fill MIME's order. The broker then transacts with the entity providing the best outcome for MIME's clients. This approach to handling ETF orders, enables MIME to obtain best execution, for clients, on a consistent basis.

Both MIME and the brokers must conduct monitoring activities to determine if the execution arrangements sufficiently achieve the best results for client orders. Should this monitoring identify any potential issues whereby clients are consistently not receiving good execution outcomes, these matters should be escalated to Compliance UK upon identification.

E. Morningstar Wealth Platform – Arrangements and Obligations

Morningstar Wealth Platform ("MWP") is an adviser led service enabling access to a range of financial instruments and investment administration functionality. MWP is designed for retail client use and includes access to discretionary portfolio management solutions and the Morningstar Wealth UK Self-Invested Personal Pension.

MWP holds regulatory permissions for both professional (adviser) and retail clients. However, MWP is generally instructed by advisers. MWP is required to achieve best execution when handling orders.

MWP order handling is typically generated by investments (new money or additional investment), disinvestments (regular or ad-hoc withdrawals or the deduction of fees), or an adjustment to the related portfolio model by the relevant discretionary investment manager.

As noted previously, given the inherent, structural differences in markets and financial instruments, a uniform standard for best execution cannot be applied. Therefore, factors pertaining to order handling can challenge the execution process, resulting in MWP having to take account of all relevant circumstances when handling and executing MWP orders.

MWP endeavours to execute buy/sell orders, with the same settlement date, on the same day but MWP cannot guaranteed this process. Settlement delays may occur if MWP encounters a delay when receiving the sale proceeds from a third party. This would result in the corresponding buy order being delayed, which may impact best execution. Additionally, delays in the settlement of any orders, pertaining specifically to a portfolio, may cause associated delays to other orders in that portfolio.

When handling orders, MWP makes every attempt to fill orders in full, however, where it is not possible to fill the order, the order will not be accepted.

i. Collective Investment Schemes (CIS):
MWP primarily transmits CIS orders to Allfunds Bank S.A.U (Allfunds) for execution of OEICs, SICAVs, and Unit Trusts. In certain circumstances, MWP may only be able to deal in open-ended funds by transmitting those orders directly to the relevant operator of the fund, or its agent for execution.

Allfunds is subject to their own order execution obligations and Allfunds must maintain arrangements designed to achieve the best possible result when executing orders.

ii. Exchange Traded Instruments (ETIs):
MWP uses WBS Solutions Limited (WBS) as a broker to facilitate transactions in ETIs. MWP will transmit all ETI orders to WBS for execution and places reliance on WBS to ensure the best possible execution outcome. MWP's use of WBS enables a wider access to a range of market makers and liquidity providers, each bidding to fill MWP's order. WBS then transacts with the entity providing the best outcome for MWP. This approach to handling ETI orders, enables MWP to obtain best execution on a consistent basis.

ETI's offered via MWP, are supplied on-demand, so as long they are available through WBS, MWP will make that financial instrument available to the client.

Both Allfunds and WBS are subject to their own order handling and execution policy, in addition to the Morningstar Wealth UK requirements. MWP regularly review execution information provided by the appointed brokers and/or execution venues to ensure best execution is consistently achieved.

Consequently, MWP order execution information is received from a third-party specialist data provider, detailing the price achieved on the order, compared to a benchmark price., on that day, for the relevant venue. Different venues are also compared to each other to assess best available prices. Should MWP oversight indicate that best execution is not being consistently achieved, this information must be escalated immediately to Compliance UK.

MWP is required to seek prior Order Handling and Best Execution Policy consent from retail clients. For the purpose of best execution, completion of the associated retail client application facilitates Order Handing and Best Execution Policy consent. When transmitting orders for professional clients, there is no requirement to obtain Order Handing and Best Execution Policy consent from MWP clients, given these orders are not executed directly by MWP.

F. Order Allocation and Aggregation

Morningstar Wealth UK reserves the right to aggregate customers' orders and will do so if it is reasonably believed that no less favourable price will be obtained, than if the order had been executed separately. In all cases, Morningstar Wealth UK must treat each client account in a fair and equitable manner, when aggregating and allocating orders and must not provide preferential treatment.

Morningstar Wealth UK must handle and facilitate execution of client orders in a timely manner and comparable client orders promptly and sequentially, where possible, unless the characteristics of the order, or prevailing market conditions, make this impossible, or the interests of the client dictate otherwise.

When allocating an aggregated transaction, including more than one client order, the aggregation of orders can lead to a large transaction in an individual asset, running the risk of a dilution levy (see section G. for further details) being applied to the transaction.

Where several buy/sell orders are handled at any one time, Morningstar Wealth UK may net trades so that proceeds of sale can be offset against purchase costs. This practice will not impact the ability to achieve best execution.

Morningstar Wealth UK does not cross trades where buy/sell orders for the same stock are offset, without recording the trade on an exchange. Should this occur, a mid-price will be requested from the relevant party, to use at the time of the crossing.

Morningstar Wealth UK does not support any request for limit orders where there is a conditional price to buy/sell.

For managed portfolio services, allocations can be made on a pro-rata basis, pursuant to each portfolio's net assets. Allocations will also be made on a pro-rata basis in the event sell orders exceed available demand in the marketplace, based on the relative size of the security position held by each fund or account and where orders are only partially executed.

G. Dilution Levy and Exit Charges

A dilution levy is a fee charged to protect the interests of investors in a fund when there are large inflows or outflows.

The aggregation of orders can lead to a significant transaction in an individual asset, as such a dilution levy may be applied, to offset any significant movement in the price of a fund generated by a large order. Any such levies are not under the control of Morningstar Wealth UK and are normally expressed as a percentage of the deal value.

If a dilution levy is applied to an aggregated order, it is applied to the individual orders in proportion to the units bought or sold on that order. The same process is relevant where exit charges are applied.

Exit charges may be applied on orders, when a sell order is executed. Exit charges are normally set in advance as described in the terms and conditions of a fund. The relevant discretionary manager is responsible for reviewing the associated literature to determine any associated costs, including exit charges.

H. Transaction Reporting

Execution of transactions in UK-listed securities, including ETFs and ETIs, must be reported to the FCA in accordance with applicable transaction reporting requirements. Morningstar Wealth UK has accordingly established arrangements to enable transaction reporting.

For MIME offered, platform administered managed portfolios, the associated transaction reporting is carried out by the respective platform, overseen by MIME.

For segregated investment mandates managed directly by MIME, associated transaction reports are submitted to the FCA through an Approved Reporting Mechanism (ARM), UnaVista.

MWP provides the required transaction reporting data to its Approved Reporting Mechanism (ARM), MarketAxess. MarketAxess is responsible for the collection, validation, and submission of transaction reports to the FCA on behalf of MWP.

Notwithstanding the use of third parties, MIME and MWP retain ultimate responsibility for ensuring that transaction reports are complete, accurate, and submitted within the prescribed regulatory deadlines.

Any instances of late or failed transaction reporting must be promptly escalated to Compliance UK and recorded in the Morningstar Wealth UK breach and incident register in accordance with internal incident management procedures.

I. Cancellation

Morningstar Wealth UK reserves the right to cancel any order, without notice, where it is sufficiently justified. This may include, but is not limited to, circumstances where Morningstar Wealth UK is requested to do so by a third party, including the relevant exchange, or in the event of market abuse suspicions. Associated fees, as a result of the cancellation, will be applied where relevant. If there are multiple orders linked to the cancellation, charges will be applied to each deal.

Morningstar Wealth UK does not accept responsibility for third party failures for the execution of orders or in obtaining best execution.