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1. Definitions

- "**IFPIM**" or "**the IFM**" or "**the Company**" means IFP Investment Management S.A.
- "**Board**" means Board of Directors of IFPIM
- "**Board Members**" means the Members of the Board of Directors of IFPIM
- "**Broker**" means a person who executes client orders on behalf of a client or receives and transmits orders in relation to one or more financial instruments
- "**Executive Committee**" means the committee composed of the members of Senior Management of IFPIM
- "**CSSF**" means *Commission de Surveillance du Secteur Financier*, the competent authority for the supervision of the financial sector in Luxembourg
- **"Senior Management"** means the persons who effectively conduct the business
- **"UCITS"** means Undertakings for Collective Investment in Transferable Securities.

2. Introduction to IFPIM

IFPIM is authorised as a Management Company under the article 101(2) and 101(3) of the Law of 17 December 2010 relating to undertakings for collective investment.

IFPIM is authorised to:

- Manage UCITS and Mutual Funds, i.e. perform the activities of:
  - Portfolio management;
  - Fund administration;
  - Marketing and distribution;
- Provide the following services:
  - Wealth management services:
    - Discretionary portfolio management on a customer-by-customer basis;
    - Investment advice;

3. Scope

IFPIM's Best Execution Policy (the "Policy") applies to transactions on behalf of the following Entities/clients:

- funds collectively managed by IFPIM;
- funds for which IFPIM acts as delegated portfolio manager
- both retail and professional clients for individual discretionary portfolio management of IFPIM;
- both retail and professional clients for investment advice of IFPIM;

This Policy applies to all financial instruments for which IFPIM places orders for execution on behalf of its clients, including, but not limited to:

- equity;
- bonds;
- money market instruments;
- units in collective investment undertakings;
- listed and unlisted derivatives.
- other instruments, as the case may be

4. Purpose of the Policy

This policy sets out the overall principles that apply in relation to placing orders for execution on behalf of the funds managed by IFPIM and other Clients for assets for which best execution is relevant.
For the purpose of this policy, the term "orders" is to be interpreted as orders placed by IFPIM for execution as IFPIM does not execute orders itself and does receives or transmit orders on behalf of Clients. IFPIM does not trade directly on any market.
When providing portfolio management services, IFPIM will ensure its portfolio managers always act in the best interests of the investors when choosing a broker for the purpose of executing financial transactions.

5. Regulatory Framework

a. European framework

- Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS requires management companies to act in the best interest of the UCITS they manage when:
    - i) executing decisions to deal on behalf of the UCITS in the context of the management of their portfolios;
    - ii) placing orders to deal on behalf of the managed UCITS with other entities for execution, in the context of the management of their portfolios.
- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
- Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive

b. Luxembourg framework

- Law of 5 April 1993 on the financial sector, as amended
- Law of 17 December 2010 concerning undertakings for collective investment
- Law of 30 May 2018 on markets in financial instruments
- Grand-Ducal Regulation 30 May 2018 on the protection of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits
- CSSF Regulation 10-04 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing the UCITS Directive as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a Management Company
- CSSF Circular 07/307 (as amended by Circulars CSSF 13/560, CSSF 13/568, 14/585 and 23/841) on MiFID: Conduct of business rules in the financial sector
- CSSF Circular 18/698 on the authorisation and organisation of investment fund managers incorporated under Luxembourg law and specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent.

6. Best Execution Principles

6.1 Objective

IFPIM shall take all reasonable steps to obtain the best possible result when placing orders for execution on behalf of the UCITS, mandates and other clients under its management, taking into account the characteristics of the client, the order, the relevant financial instrument and the available execution arrangements.
IFPIM does not execute transactions directly and does not act as an execution venue. Orders are transmitted to authorised intermediaries including brokers, counterparties and depositary banks for execution.
When managing UCITS portfolios, IFPIM applies the best execution requirements arising from the UCITS framework.
When providing discretionary portfolio management services, IFPIM applies the best execution requirements applicable under MiFID II.
In all cases, IFPIM acts honestly, fairly and professionally in the best interests of investors and clients.

6.2 Best Execution Factors

When selecting an intermediary or transmission arrangement, IFPIM considers, where relevant:
- total consideration (price and costs);
- likelihood of execution;
- likelihood of settlement;
- speed of execution;
- size of the transaction;
- market impact;
- nature of the order;
- liquidity of the instrument;
- operational and settlement reliability;
- any other relevant execution factor.

The relative importance of each factor depends on:
- the characteristics of the client;
- the characteristics of the relevant mandate or fund;
- the nature of the order;
- the nature of the financial instrument;
- prevailing market conditions.

For retail discretionary management clients, total consideration will generally receive the highest weighting.

6.3 Specific Client Instructions

Where a client provides specific instructions regarding an order or a particular aspect of an order, IFPIM shall execute the instruction in accordance with the client's wishes.
To the extent that specific instructions are followed, IFPIM may be prevented from achieving the result that would otherwise have been obtained under this Policy in relation to the elements covered by those instructions.

6.4 Special Circumstances

IFPIM may place greater emphasis on factors such as execution certainty, settlement certainty or market impact In exceptional circumstances including:

- transactions in illiquid instruments;
- unusually large transactions;
- severe market disruption;
- market stress events;
- limited liquidity conditions.

Any such approach shall continue to pursue the best interests of clients and investors.

7. Selection and Oversight of Brokers and Counterparties

7.1 Selection Criteria

When selecting brokers and counterparties, IFPIM considers, inter alia:

- regulatory authorisation and supervision;
- reputation and financial soundness;
- market access;
- quality of execution;
- quality of settlement;
- operational resilience;
- transaction costs;
- access to research where permitted;
- quality of reporting;
- conflicts of interest.

7.2 Ongoing Monitoring

IFPIM performs ongoing due diligence on approved brokers and counterparties.

The review may include:

- execution quality;
- settlement performance;
- operational incidents;
- compliance with best execution obligations;
- changes in regulatory status;
- financial strength;
- material conflicts of interest.

Material deficiencies may result in enhanced monitoring, suspension or removal from the approved broker list.

7.3 Related-Party Transactions

Where a transaction involves a related party, affiliated entity or other connected counterparty, IFPIM shall ensure that:

- the transaction is conducted on arm's length terms;
- execution quality remains consistent with this Policy;
- the interests of investors and clients remain paramount;
- conflicts of interest are managed in accordance with the IFPIM Conflicts of Interest Policy.

7.4 Approved Brokers

All trades for discretionary and advisory direct mandates are placed with the custodian banks of the concerned accounts:

- The Banque et Caisse d'Épargne de l'État (Spuerkeess)
- Banque du Luxembourg and its Belgium Branch
- Banque Internationale à Luxembourg
- BGL BNP Paribas Luxembourg
- Swissquote Bank Europe.

All trades for UCITS under management are either placed with the depositary bank of the respective Fund or through one of these approved brokers:

- Jefferies, London
- Carnegie, Stockholm
- Cowen, London
- Baader Bank, Munich

8. Order Handling, Allocation and Aggregation

8.1 General Principles

IFPIM shall promptly and accurately transmit, record and allocate client orders.
Comparable orders shall be handled sequentially unless:

- the nature of the order;
- prevailing market conditions; or
- client interests
- require a different approach.

All orders remain subject to the four-eye principle.

8.2 Aggregation

IFPIM may aggregate orders affecting multiple clients or funds where it reasonably believes that aggregation is unlikely to disadvantage any participant.
Aggregation may provide benefits including:

- improved execution quality;
- lower transaction costs;
- reduced market impact.

8.3 Allocation

Where aggregated orders are partially executed, allocations shall generally be made on a pro-rata basis according to intended participation, unless another allocation methodology is demonstrably fairer under the circumstances. The rationale for any alternative methodology shall be documented.

9. Monitoring and Review

9.1 Ongoing Monitoring

IFPIM performs ongoing monitoring of execution arrangements and the effectiveness of this Policy. Monitoring may include:

- broker reports;
- transaction reviews;
- exception analysis;
- execution quality reviews;
- settlement statistics;
- recurring execution issues.

9.2 Periodic Assessment

At least quarterly, IFPIM reviews the performance of its execution arrangements using available transaction information and reports received from brokers, counterparties and depositary banks.

9.3 Annual Review

At least annually, IFPIM shall perform a formal review of:

- this Policy;
- approved brokers and counterparties;
- execution arrangements;
- monitoring outcomes;
- material incidents or complaints related to execution.

The results of the review shall be reported to the Executive Committee.

10. Publication and Communication

The Best Execution Policy shall be made available to clients and investors through the website of IFPIM or by other appropriate means.

Clients and investors may request additional information regarding:

- execution arrangements;
- broker selection;
- order handling procedures;
- monitoring processes.

Upon request, IFPIM shall provide information in accordance with applicable legal and regulatory requirements.