

Policy

Approved by ECAM Board on 26 April 2023

Applicable from 1 May 2023

Best Execution Policy

1. Background

East Capital Asset Management S.A. (“**ECAM**” or the “**Company**”) is a public limited company governed by the laws of the Grand-Duchy of Luxembourg and licensed by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) as an Alternative Investment Fund Manager, under the Law of 12 July 2013 on alternative investment fund managers (the “**2013 Law**”), as well as a Management Company, under the Law of 17 December 2010 relating to undertakings for collective investments (the “**2010 Law**”).

The Company acts as Management Company and Alternative Investment Fund Manager in respect of Luxembourg-domiciled and Sweden-domiciled funds qualifying as either undertakings for collective investment in transferable securities or alternative investment funds (the “**Funds**”). The Company furthermore acts a portfolio manager in respect to a number of separately managed accounts (the “**Mandates**”) in accordance with Article 101.3(a) of the 2010 Law. The Funds and Mandates are hereafter jointly referred to as the “**Portfolios**”.

This Policy is designed with a view to complying with the regulatory requirements set out in section 12 which requires the Company to act in the best interests of the Portfolios it manages when:

- a) executing orders to deal on behalf of the Portfolios in the context of the management of their portfolios;
- b) transmitting orders to deal on behalf of the Portfolios to other entities for execution in the context of the management of their portfolios.

The Company must take all reasonable steps to obtain the best possible result for the Portfolios, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature or any other consideration relevant to order execution. This obligation is known as the duty of “best execution”. The Company has approved this Policy in order to achieve best execution when executing and transmitting orders in relation to the Portfolios that it manages.

Portfolios which do not invest in financial instruments, as per the descriptions in Sections 4 and 5 below, but instead invest in private equity and real estate, the Company will not be required to comply with the rules set out in this Policy when making portfolio management decisions in connection with the Portfolios. In accordance with its duty of best execution, the Company will nevertheless take all reasonable steps to obtain the best possible result for these Portfolios, such as working with recognized experts in the fields of private equity valuation and independent property appraisal.

2. The relative weight ascribed to various factors in conjunction with orders

The Company shall take all reasonable measures to achieve best possible result with regard to price, costs, speed, likelihood of execution and settlement, order size and nature, or any other factor that in the Company's opinion is relevant for the execution of a particular order.

Normally, the greatest significance will be ascribed to the price. In certain cases, for example in conjunction with large orders or orders subject to particular terms and conditions etc., greater consideration may be given to other factors, for instance, the likelihood that it will be executed or can be settled or if, for other reasons, it is relevant to ascribe greater significance to factors other than the price.

3. Methods for executing orders

Orders regarding financial instruments will primarily be transmitted for execution to brokers that have direct access to relevant trading venues (see Section 4 below). The Company may also, in exceptional cases, execute orders directly against the counterparty (see Sections 4 and 5 below).

In case there are specific interests related to the Portfolios to take into account in the execution or outcome of an order, the Company may, when transmitting the order, submit specific instructions for the execution. Such instructions shall be based on appropriate analyses of the relevant market conditions.

Orders may be executed through one or several of the methods set out in this Policy.

In order to achieve best possible result, the Company has the possibility of executing an order by using one, or a combination, of the following methods for the execution of orders:

Directly on a regulated market or Multilateral Trading Facility ("MTF")

This takes place when the Company executes the order through a third party.

Outside of a regulated market or MTF

Normally, orders should be executed on regulated markets by a broker. In exceptional cases, trading may take place when the Company matches a client's order (e.g. on behalf of one of the Portfolios) against another client's order (e.g. on behalf of another Portfolio), or when it has the order carried out against a third party. Orders may be executed outside of regulated markets only if there are no other possibility of executing the order on a regulated market or if executing the order on a regulated market would lead to unacceptable delay, pricing or costs.

The reason for trading outside a regulated market should be documented in advance.

4. Financial instruments which are primarily traded on a trading venue

Orders regarding the following financial instruments will primarily be executed by transmission of such orders to brokers that have direct access to the relevant trading venues:

- transferable securities, i.e. shares, bonds, mortgage certificates, subscription rights, convertible debt instruments and depositary receipts for said instruments,

- money market instruments, i.e. treasury bills, certificates of deposits and other liquid assets normally traded on the money markets,
- derivative instruments, i.e. options, futures, swaps and other similar financial instruments, and
- fund units which are admitted to trading on a trading venue.

Orders are transmitted to brokers chosen with regard to the factors set out in Section 2 above.

5. Fund units and other financial instruments which are not primarily traded on a trading venue

The Company may execute orders regarding unlisted fund units by transmitting the orders to the relevant fund's management company (or the equivalent) for execution according to the said fund rules and regulations (or equivalent).

Orders regarding other financial instruments not primarily traded on a trading venue, including unlisted over-the-counter ("OTC") derivatives, are either transmitted to brokers for execution or executed by the Company directly against the counterparty. Method of execution and choice of counterparty are always based on analyses of available market information. In these cases, the Company shall check that price and costs are reasonable in comparison with similar instruments.

6. Handling of orders and aggregation and allocation of orders

The Company shall execute, record and allocate orders promptly, fairly and expeditiously. Comparable orders shall be executed sequentially and promptly unless this is made impracticable by the characteristics of the order or prevailing market conditions or where other measures are required as a consequence of the interests of the Portfolios.

Financial instruments or amounts of money, received in settlement of the executed orders shall be promptly and correctly delivered to the account of the appropriate Portfolios.

The Company may aggregate an order (e.g. on behalf of one of the Portfolios) with orders of other Portfolios only if it is unlikely that aggregation generally will work to the disadvantage of one or more of the Portfolios whose orders are included in the aggregation.

An aggregated order which is executed in its entirety is allocated on the basis of the average price. If an aggregated order can only be executed in part, the portion which is executed will be allocated proportionally on the basis of the average price. Where only a very small part of the aggregated order is executed and proportional allocation cannot be implemented due to unreasonable transaction costs, the portion which is executed shall be allocated to the portfolio with the largest need/largest deviation from the model portfolio.

7. Delegation

Where an Investment Manager has been appointed, the Company shall ensure that the Investment Manager has a policy in place to ensure that best execution requirements are met and that the Investment Manager has appropriate procedures and controls in place to ensure the policy is being implemented. The Company shall assess

this in initial and ongoing due diligence proceedings and may follow-up more frequently on best execution matter in its ongoing oversight if deemed necessary.

8. Responsibilities

Responsible for the implementation of this Policy: Conducting Officers of the Company

Responsible for the monitoring this Policy: Compliance Officer of the Company

Responsible for the annual review of this Policy: Board of Directors of the Company

9. Applicable legal and regulatory requirements

- i. Article 111 of the 2010 Law (Luxembourg)
- ii. Articles 28, 29, 30 and 31 of CSSF Regulation N° 10-4 of December 20th, 2010, transposing Commission Directive 2010/43/EU of July 1st, 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council, as regards organizational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a Depositary and a Management Company
- iii. Section 5.2.7 of CSSF Circular 12/546 of October 24th, 2012, regarding authorization and organization of Luxembourg Management Companies subject to Chapter 15 of the aforementioned December 17th, 2010 Law
- iv. Article 11 of the 2013 Law (Luxembourg)
- v. Articles 27, 28 and 29 of European Commission Delegated Regulation (EU) N° 231/2013 of December 19th, 2012, supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision

10. Distribution

This Policy shall be distributed internally within the East Capital Group; external distribution (i.e. to other third parties than those mentioned below) and as required by national law is subject to the decision of the Conducting Officers of ECAM.

Furthermore, the Company shall make available appropriate information on this Policy and on any material changes to it to the Funds' shareholders.

The Policy, or a summary thereof, shall at all times be available on the Company's website.

Personal contact information

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