

## **Policy for best execution and allocation of orders**

Policy for Söderberg & Partners Asset Management S.A., registration number B184421, hereinafter called the Company.

The Company's board of directors established this policy on 6 December 2016. This policy shall be adopted annually by the Board.

### Introduction

The Company has adopted these guidelines to ensure that the Company for the execution and placement of orders relating to portfolio transactions in managed funds shall take all reasonable measures to achieve the best possible outcome for shareholders in the funds ("Shareholders").

"Execution of portfolio transactions" and similar expressions in this policy refers to the Company executing a portfolio transaction itself.

"Placement of orders" and similar expressions refers to the Company handling a portfolio transaction by handing an order to another company for execution.

### The relative importance of factors for the execution and placement of orders in portfolio transactions

The Company shall take all reasonable measures to achieve the best possible outcome for Shareholders with respect to price, cost, speed, likelihood of execution and settlement, size, nature and other conditions that, in the Company's opinion, are relevant to a specific portfolio transaction.

The Company will normally attach greatest importance to the price that can be obtained for a particular portfolio transaction. In some cases, such as for larger transactions, transactions in illiquid financial instruments or transactions associated with unusual conditions etc., the Company may, however, come to pay greater respect to other factors such as the probability that portfolio transaction will be executed and settled, and how quickly the portfolio transaction can be performed.

### Methods of execution of portfolio transactions

The Company will primarily conduct portfolio transactions by placing orders with other companies that have direct access to the relevant marketplaces. Furthermore the Company will occasionally perform portfolio transactions by direct execution with the counterparty (buyer/seller/issuer) in the transaction.

In the event that the fund for which the transaction is executed has specific interests in the outcome of an order, the Company will, in connection with the placement of the order, provide specific instructions for the execution. Such instructions must be based on analysis of current market conditions.

### Financial instruments that are primarily traded on an exchange

Portfolio transactions in the following types of financial instruments will primarily be carried out by placing orders with companies that have direct access to the relevant marketplaces.

- Transferable securities, i.e. stocks, bonds, warrants, convertible securities and depositary receipts in respect of such instruments,
- Money market instruments, i.e. treasury bills, bank certificates and other financial instruments traded in the money market,
- Derivatives, i.e. options, futures and swaps, and similar financial instruments, and
- Fund units listed for trading on marketplaces, Exchange Traded Funds (ETFs).

The Company may also perform portfolio transactions relating to the above instruments directly with the counterparty in the transaction if the Company has received e.g. warrants or other specific acquisition offers directly addressed to the Company, or otherwise, if such conduct is deemed to be in the interest Shareholders.

### Mutual fund units and other financial instruments that are not primarily traded on an exchange

The company carries out orders in fund units that are not quoted on an exchange by either sending order forms directly to the relevant fund companies for execution or by placing the order with an execution agent, if such has been agreed with the relevant fund company. In both cases all orders must be executed according to the conditions of the relevant fund regulations.

Portfolio transactions relating to other financial instruments that are not primarily traded on a marketplace are handled either by placing orders with other companies for execution or by the Company executing the transaction directly against the buyer/seller/issuer.

### Selection and monitoring of counterparties for placement of orders relating to portfolio transactions

The Company shall in placing orders always turn to one of the Company approved counterparties that are subject to ongoing evaluation. Upon approval and evaluation of counterparties, the Company must at least consider the following factors,

- that the counterparty's result of past transactions is satisfactory, with particular attention to the price of completed transactions and the ability to manage transaction volumes,
- that the counterparty has the ability to efficiently settle transactions,
- that the counterparty reasonable commission rates and other charges,
- that the counterparty is aware of how the market works, has an ability to manage transaction flows and an ability to provide information about placed orders, and otherwise manage the business relationship with the Company,
- that the counterparty has adopted internal rules for best execution or, if the counterparty is not domiciled in the European Economic Area (EEA), has other acceptable procedures to achieve the best possible results,
- that the counterparty has good financial standing and adequate procedures for compliance and risk management.

In order for the Shareholders to get a favorable price on portfolio transactions, the Company shall seek to negotiate with the counterparties for lower commissions and other fees whenever possible.

The Company shall maintain a list of counterparties used in the placement of orders relating to various types of financial instruments and without cost to make it available to Shareholders on request.

#### Management, aggregation and allocation of portfolio transactions

The Company shall implement, document and allocate portfolio transactions quickly, efficiently and fairly. Comparable transactions are carried out promptly and in correct time order unless this is made impossible by the transaction properties, current market conditions or if something else is required due to the interests of the fund in question.

The Company may only merge portfolio transactions for different funds if it is unlikely that such consolidation will generally be to the detriment of any of the funds involved. If has only been possible to execute an aggregated portfolio transaction partially, it will be allocated pro rata among the involved funds. An aggregated portfolio transaction is always allocated at the average price.

The Company shall not carry out transactions for its own account, why aggregation of portfolio transactions and transactions for own account, will not take place.

#### Market disruptions etc.

In case of market failures or disruptions in the Company's own systems, for example due to a temporary interruption or unavailability of electronic systems, it may, in the opinion of the Company, be impossible or inappropriate to manage a portfolio transaction in any of the ways specified in these rules. The Company shall then take all reasonable steps to otherwise achieve the best possible outcome for Shareholders.

The Company shall not misuse information relating to not yet completed portfolio transactions and shall take all reasonable steps to prevent the Company's relevant persons from misusing such information.

#### Control

The Company shall ensure that an internal control function regularly verify that portfolio transactions are handled in accordance with the internal rules and that any conflicts of interest related to the execution of portfolio transactions are subject to proper handling. The results of this inspection shall be reported to the Company's conducting officers and board of directors which, if deviations occur, shall adopt the measures necessary for the Company to comply with the rules.

#### External information etc.

Information about the contents of these internal rules and the significant changes herein shall be available to Shareholders on request.

Review etc.

The effectiveness of, and the content of, this policy shall be reviewed periodically and whenever there is a significant change affecting the Company's potential to continue to achieve the best results. The conducting officers are responsible for such a review taking place.