

## Best Execution and Best Selection Policy

### 1. Purpose

Swiss Rock Asset Management ("SRAM") is an investment management company ("Fund Management Company") under Swiss law. It is also licensed to manage investment portfolios in accordance with mandates given by investors on a discretionary, client-by-client basis.

As such, SRAM is also an alternative investment fund manager pursuant to Chapter 2 of the Luxembourg Law of July 12, 2013 on Alternative Investment Fund Managers ("AIFM"). Indirectly, SRAM, in its activity as fund manager of two self-initiated Luxembourg Sicavs, is thus subject to the applicable Luxembourg regulatory provisions regarding "best execution & best selection" that may arise in connection with its activity as fund manager.

The purpose of this document is to provide clear, concise and up-to-date information on SRAM's best execution and best selection policies and procedures under Luxembourg law. The aim is to achieve the best possible result for the managed UCITS and AIFs (hereinafter referred to as "the funds") and to protect their investors. This "Best Execution and Best Selection Policy" applies to all funds managed by SRAM in Luxembourg.

### 2. General principles

SRAM will act in the best interest of the managed funds when executing decisions to trade on behalf of the managed UCITS and AIFs in the context of managing their portfolios. This also applies when orders for trading on behalf of the managed funds are placed with other companies for execution.

In the event that SRAM has delegated portfolio management to external parties, SRAM ensures that these service providers act in the best interest of the funds under management and that they must have their own "Best Execution Policy". This is part of the initial and ongoing due diligence and monitoring process.

Generally, orders are not routed directly from SRAM to the market, but through intermediaries (e.g. brokers, banks or other counterparties). Therefore, SRAM's obligations relate to the selection of these intermediaries.

### 3. Best Execution

SRAM will take all reasonable steps to achieve the best possible result for the funds under management, taking into account the following factors in particular:

- Price
- Costs
- Speed
- Probability of execution and settlement
- Order size
- Type
- or any other consideration relevant to the execution of the order.

The relative importance of these factors is determined by considering the following criteria:

- the objectives, investment policy and specific risks of the UCITS and the AIF as stated in the sales prospectus or, as the case may be, in the management regulations, the constitutive documents, the fund rules, the articles of incorporation or the offering documents
- the characteristics of the order
- the characteristics of the financial instruments that are the subject of this order
- the characteristics of the execution venues to which this order can be directed.

The relative importance of these factors is determined for each type of instrument. Upon request, we provide our clients with further information. With respect to best execution, SRAM distinguishes between securities funds and real assets funds. The handling distinctions are described in the following sections.

#### **4.1 Securities funds**

SRAM has not delegated portfolio management for securities funds to other service providers. Even in such a case, SRAM would still be responsible for acting in the best interest of the funds under management and ensure that these service providers must have their own Best Execution Policy. This would be part of an initial and ongoing due diligence process.

For our intra-group portfolio management delegates, the policy of Swiss Rock Asset Management is applicable, which also ensures consistency in the management and implementation of the sub-funds of our Sicavs in Luxembourg.

In addition, this document is supported by rules of conduct, various policies and procedures established by the Board of Directors of SRAM Sicav (hereinafter the "Board").

#### **4.2 Real Assets Funds**

SRAM distinguishes between two approaches:

##### **Real Assets:**

Considering that potential investments in real estate or company shares are made after extensive negotiations, they do not have to comply with the best execution rules set out in the European Parliament Directive 2014/65/EU (MiFID).

##### **Financial instruments:**

When acquiring/disposing of financial instruments covered by best execution rules (e.g. securities, money market instruments, fund units or options, futures and swaps, FX trades), SRAM complies with these rules (see Annex I - Directive 2014/65/EU of the European Parliament (MiFID)) as part of its standard processes that accompany the investment process.

#### **4. Best Selection**

Intermediaries are selected in order to achieve the best possible result. To ensure this, SRAM will only pass orders to intermediaries that have been selected through an evaluation and approval process. Based on the approvals granted, a list of agreed counterparties will be established. This

list will be reviewed and updated on a regular basis. SRAM reviews counterparties for new delegations or transactions and regularly monitors the portfolio of these counterparties.

## **5. Exceptions**

Market conditions or system failures may result in a deviation from the procedures and policies stated in this document. In such circumstances, orders may not (have to) be placed in accordance with these policies. However, SRAM will use its best efforts to achieve the best possible outcome for the funds under management and the clients.

In the case of individual mandates, the client's instructions take precedence over this policy. In this case, the order will be executed in accordance with the client's instructions and not in accordance with this best execution and best selection policy.

## **6. Review of best execution and best selection policy**

SRAM reviews the effectiveness of its best execution and best selection policies on a regular basis and at least annually. A review is also conducted when a material change occurs in the market environment that could affect SRAM's ability to achieve best execution.

## **7. Disclosure**

Investors can find more details at the following links:  
<https://www.swiss-rock.ch/unternehmen/Governance/>

In addition, they can request additional information free of charge by writing to the following address:

### **Swiss Rock Asset Management AG**

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