

**BEST EXECUTION AND ORDER ALLOCATION POLICY
FOR
INVESTERINGSFORVALTNINGSSKABET SEBINVEST A/S**

PURPOSE

§ 1

This Best Execution and Order Allocation Policy (the “**Policy**”) implements the requirements under the Commission’s Delegated Regulation (EU) No 231/2013 of 19 December 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 (the “**Regulation**”) and the Danish executive order of 2 July 2014 on management, controlling and administration of Danish UCITS (the “**Executive Order**”).

The Policy applies to the execution of orders placed by Investeringsforvaltningsselskabet SEBInvest A/S (the “**IFS**”) (or external fund managers to whom the portfolio management has been outsourced cf. clause 6) on behalf of funds (or sub-funds) or entities managed by IFS (the “**Managed Funds**”).

EXECUTION OF DECISIONS TO DEAL ON BEHALF OF A MANAGED FUND

§ 2

IFS shall act in the best interests of the Managed Funds or the investors in the Managed Funds when executing decisions to deal on behalf of the Managed Funds in the context of the management of their portfolio.

Whenever IFS buys or sells financial instruments or other assets for which best execution is relevant, they shall take all reasonable steps to obtain the best possible result for the Managed Funds or the investors in the Managed Funds, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

The relative importance of such factors shall be determined by reference to the following criteria:

- 1) the objectives, investment policy and risks specific to the Managed Funds, as indicated in the Managed Fund’s rules or articles of association, prospectus or offering documents of the Managed Fund;
- 2) the characteristics of the order;
- 3) the characteristics of the financial instruments or other assets that are the subject of that order;
- 4) the characteristics of the execution venues to which that order can be directed.

IFS assumes that the price of the financial instrument and the transaction costs have more significance compared to other factors. However, depending on the transaction type, other factors may play a larger role. Below is a table of the dominating factors which are normally decisive for IFS (or an external fund manager to whom the portfolio management has been outsourced cf. clause 6) in the choice of executing broker or counterparty:

Financial instrument	Dominating factor(s)
Equity	Price, Speed
Fixed Income	Price, Costs, Liquidity
Money Market	Price, Liquidity
ETFs	Costs
Exchange-traded derivatives and FX	Reliable settlement
Other instruments	Price, Speed

The obligations above shall not apply whenever there is no choice of different execution venues. However, IFS shall be able to demonstrate that there is no choice of different execution venues.

PLACING ORDERS TO DEAL ON BEHALF OF THE ADMINISTERED FUNDS WITH OTHER ENTITIES FOR EXECUTION

BROKER SELECTION

§ 2

Depending on the type of Managed Funds and/or the fund managers IFS can execute orders itself or through other financial intermediaries (brokers) on behalf of the Managed Funds resulting from investment decisions.

The execution venue may differ, depending on the type of financial instrument in question. Equity orders are usually traded by brokers through exchanges. Orders in bonds are usually fulfilled by brokers out of their own inventory or through further brokers.

IFS ensures best execution of orders through a careful selection of brokers. For this reason IFS chooses a selection of brokers to which employees (or external fund managers to whom the portfolio management has been outsourced cf. clause 6) are bound when selecting a venue for order execution.

IFS shall only enter into arrangements for execution where such arrangements are consistent with the obligations laid down in this Policy. IFS only makes use of brokers and counterparties who, after a thorough due diligence, are deemed able to consistently fulfill such obligations. IFS periodically reviews the execution of orders on behalf of the Managed Funds by the approved brokers and counterparties.

Many brokers and counterparties offer additional services, such as research, financial analysis, and market- and quote information. The choice of a broker or counterparty may be influenced by the

offering of these services, as long as this corresponds to the interests of the Managed Funds and/or constitutes a significant contribution to the investment decision making process.

BEST EXECUTION

§ 3

Whenever IFS buys or sells financial instruments or other assets for which best execution is relevant, it shall act in the best interest of the Managed Funds or the investors in the Managed Funds when placing orders to deal on behalf of the Managed Funds with brokers and counterparties for execution, in the context of the management of their portfolio.

IFS shall take all reasonable steps to obtain the best possible result for the Managed Funds or the investors in the Managed Funds taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. The relative importance of such factors shall be determined in accordance with clause 2.

The obligations referred to above shall not apply whenever there is no choice of different execution venues. However, IFS shall be able to demonstrate that there is no choice of different execution venues.

AGGREGATION AND ALLOCATION OF TRADING ORDERS

§ 4

IFS can only carry out an order on behalf of a Managed Fund in aggregate with an order of another Managed Fund or with an order made when investing their own funds where:

- 1) it can be reasonably expected that the aggregation of orders will not work overall to the disadvantage of any Managed Fund whose order is to be aggregated;
- 2) the below allocation policy is implemented and followed, providing sufficiently precise terms for the fair allocation of aggregated orders, including how the volume and price of orders determines allocations and the treatment of partial executions.

Where IFS aggregates an order on behalf of a Managed Fund with one or more orders of another Managed Fund and the aggregated order is partially executed, it shall allocate the related trades in accordance with its order allocation policy.

Where IFS aggregates transactions for its own account with one or more orders of a Managed Fund, it shall not allocate the related trades in a way that is detrimental to the Managed Funds.

Where IFS aggregates an order of a Managed Funds with a transaction for its own account and the aggregated order is partially executed, it shall allocate the related trades to the Managed Funds in priority over those for own account.

However, if IFS is able to demonstrate to the Managed Funds on reasonable grounds that it would not have been able to carry out the order on such advantageous terms without aggregation, or at all, it may allocate the transaction for its own account proportionally, in accordance with its order allocation policy.

ORDER HANDLING

§ 5

IFS shall provide for the prompt, fair and expeditious execution of orders on behalf of the Managed Funds. When doing so IFS shall ensure that:

- 1) orders executed on behalf of the Managed Funds are promptly and accurately recorded and allocated and
- 2) otherwise comparable orders on behalf of the Managed Funds are executed sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the Managed Fund or of the investors in the Managed Funds require otherwise.

The financial instruments, sums of money or other assets received in settlement of the executed orders shall be promptly and correctly delivered to or registered in the account of the relevant Managed Fund.

IFS shall not misuse information related to pending orders on behalf of a Managed Fund, and shall take all reasonable steps to prevent the misuse of such information by any of their relevant persons (as such are defined in the Regulation and the Executive Order).

OUTSOURCING OF PORTFOLIO MANAGEMENT

§ 6

Under certain circumstances IFS can outsource portfolio management of a Managed Fund to an external fund manager. In such event IFS will perform an assessment to establish whether the principles of execution by the external fund manager are commensurate with this Policy.

MONITORING

§ 7

IFS shall monitor on a regular basis the effectiveness of their arrangements and this Policy and, in particular, the quality of the execution of orders by brokers and counterparties listed in Appendix 1 and, where appropriate, correct any deficiencies.

COMPLIANCE

§ 8

IFS shall be able to demonstrate that it has executed/placed orders on behalf of the Managed Funds in accordance with this Policy.

CONSENT AND PUBLICATION

§ 9

IFS shall obtain each managed UCITS fund's prior approval to this Policy.

IFS shall make this Policy, as well as information about material changes to the Policy, available to the investors in the Managed Funds on the website of each Administered Fund.

REVIEWS

§ 10

The Board shall review this Policy on at least an annual basis. A review shall however also be carried out whenever a material change occurs that affects IFS's ability to continue to obtain the best possible result for the Managed Funds.

Copenhagen, 29 August 2018

The Board of Directors in
Investeringsforvaltnings-
selskabet SEBinvest A/S:

The management in
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