

Best Execution and Best Selection Policy

A. Object

All investment service providers are obligated to act in the best interests of their clients when executing orders resulting from investment decisions in portfolios. They are required to take all sufficient measures to achieve the best possible result for their clients (best execution) when executing orders to buy and sell financial instruments.

To this end, as a management company and considering the nature of its activity, ABN AMRO Investment Solutions (AAIS) selects intermediaries whose execution policy ensures the best possible result when executing orders transmitted on behalf of its clients. Nevertheless, AAIS remains responsible for best execution in handling certain transactions carried out directly on the market.

B. Scope of application

i. Fields of application :

AAIS can directly manage the financial management of its funds or entrust this responsibility to a portfolio management company that assumes the role of Financial Management Delegate for one or more AAIS funds.

The scope of this policy concerns all funds managed by AAIS (Direct Management and Delegated Management).

AAIS is subject to the principles of Best Selection and Best Execution specific to portfolio management companies that do not provide investment services and do not directly execute orders on the market.

AAIS has chosen to consider itself as a "professional client" and requests its intermediaries to categorize it as such, or failing that, for our intermediary BP2S Dealing Services to be considered as such, so that the obligation of best execution towards it can also apply to its intermediaries.

ii. Exclusive use of an outsourced dealing desk :

AAIS does not directly execute orders on behalf of the managed UCIs, but transmits them to market intermediaries who ensure their execution. AAIS has entrusted the exclusive transmission of its orders to an outsourced dealing desk, BNP Paribas Dealing Services (hereinafter "Dealing Services").

AAIS has chosen to outsource this service to better meet its regulatory requirements, to free managers from the constraints of order negotiation, to reduce operational and non-compliance risks, and to facilitate obtaining better conditions of price, volume, and liquidity in the markets.

Dealing Services, as an investment service provider offering RTO services and order execution on behalf of third parties, has its own execution policy.

This mechanism aims to act in the best interests of the unit holders and shareholders of the UCIs managed by AAIS.

C. Principles of Best Selection

On a semi-annual basis, AAIS receives a "Broker_Analysis" file from Dealing Services, which includes, for each class of financial instruments, a rating from 1 to 10 for each authorized broker, their ranking, and a qualitative commentary based on Dealing Services' evaluation criteria, which are: "execution price," "post trade follow-up," "liquidity," and "sales trading coverage."

i. Targeted Instruments:

Asset Classes concerned	Order Execution	Comment
Large Cap Equities	BNP Paribas Dealing Services (DS)	
Small & Mid Cap Equities	BNP Paribas Dealing Services (DS)	
ETF	BNP Paribas Dealing Services (DS)	
Corporate Bonds	BNP Paribas Dealing Services (DS)	
Government Bonds	BNP Paribas Dealing Services (DS)	
Convertibles	BNP Paribas Dealing Services (DS)	
Money Market	BNP Paribas Dealing Services (DS)	
Forex	BNP Paribas Dealing Services (DS)	FX Spot, FX Forwards, FX Swaps, FX Futures
Listed Derivatives	BNP Paribas Dealing Services (DS)	FX Futures, Futures on equity or bond indices (Bund, T-Notes); Note, no Options to date
UCIs (excluding ETFs)	Directly with the fund's T.A.	

ii. Order Typology:

The possible order types and their uses by AAIS managers are indicated in the table below. This table presents the methods for placing orders under usual market conditions but does not have an absolute normative dimension, as Portfolio Management retains the responsibility to act at all times in the best interest of unit holders.

TYPE OF ORDER	DEFINITION	Equities and Related Instruments (including ETFs)			Other Financial Instrument				Use
		Applicability	Reference Benchmark	Additional Benchmark (for information)	Listed Derivatives and OTC	Bond	FX (change)	Money Market	
Market	Order to be executed immediately on the market, at the best available price	✓	Implementation Shortfall	i-VWAP	✓	✓	✓	✓	Remains exceptional/marginal for equities and ETFs
Care	Order whose execution is optimized by the Dealing Desk or by the Authorized Provider (price, liquidity, cost) in the best interests of the Client. For example: "smoothing the order" when an order represents a too large share of liquidity and could affect the execution price.	✓	Implementation Shortfall	i-VWAP	✓	✓	✓	✓	Predominant practice for bonds
Limit or better	Order constrained by a limit, with the price potentially being improved based on market conditions.	✓	Limit price	i-VWAP	✓	✓	✓	✓	Exceptional circumstances (e.g., volatile environment)
Percentage of Volume	Order aiming to achieve a participation rate in the	✓	Participation	i-VWAP	✓				Not used (permanent maximum volume)

	volume traded on the considered market					instruction formalized with the dealing desk)
Open target	Order aiming to achieve the opening price of the day on the considered market, without guarantee of being equal to this price, and which can be complemented by an expected spread level based on market conditions.	✓	Opening price	i-VWAP	✓	Specific case (investment as early as possible in the session to closely match the previous day's closing price, such as an order resulting from a subscription received after the cut-off the previous evening)
Close target	Order aiming to achieve the closing price of the day on the considered market, without guarantee of being equal to this price, and which can be complemented by an expected spread level based on market conditions.	✓	Closing price	i-VWAP	✓	Equities and ETFs are predominantly traded at the closing price to neutralize any market impact (coverage of subscriptions/redemptions or arbitrage against UCIs).
NAV guaranteed	Order for which the price is guaranteed by the Authorized Provider and equal to the net asset value of the day of the ETF (exchange-traded index replication funds).		(none)	(none)		Only for ETFs _ used for significant-sized orders
Fixing	Order to be executed at the fixing indicated by the order giver For forex, by default, the reference fixing is the rate calculated at 4:00 PM London time by WM Company and published on the Bloomberg page WMCO		(none)	(none)	✓	✓ A majority of FX orders are processed at the reference price of UCI valuations (namely the WM Fixing) to neutralize any market impact (coverage of subscriptions/redemptions or arbitrage against UCIs).
Roll	Strategy (linked orders) Closing a position on one maturity and simultaneously opening the same position on a longer maturity		(none)	(none)	✓	✓ Only for derivatives

In order to achieve the best possible execution for its clients, AAIS has determined and implemented quantitative and qualitative best selection criteria, which are taken into account in the internal rating and the overall assessment of each broker authorized by the management company:

- the best total cost, including the execution price of the financial instrument in relation to the review of TCA ("Transaction Cost Analysis") reports and execution costs, particularly brokerage fees;
- the quality and security of settlement-delivery: this criterion aims to assess the nature and frequency of any settlement-delivery incidents, as well as the broker's ability and proactivity in identifying and resolving them;
- liquidity: this criterion aims to assess the broker's ability to find liquidity, considering several factors, including the ability to gather interests and the quality of indications of interest, the ability to cross blocks of securities, and access to markets (including Multilateral Trading Facilities and Organized Trading Systems);
- the quality of trading coverage and follow-up, which includes tangible elements ultimately benefiting the shareholders and unit holders of the UCIs: the fluidity, quality, and transparency of the market information provided, the quality of support (administrative, legal, and middle-office), understanding of orders and instructions, follow-up on "worked" orders (e.g., optimized orders known as "Care," see below), and responsiveness.

D. Best Execution Policy

Although it does not execute orders on the markets, AAIS has defined a Best Execution Policy, which it will apply if it is required to equip itself with the infrastructure and processes necessary for the direct execution of its orders on the markets, for all or part of the classes of financial instruments processed. Additionally, as part of the "due diligence" prior to entering into a business relationship with a broker, AAIS obtains the broker's Best Execution Policy.

E. Governance

In accordance with applicable regulations, a Broker Committee is held semi-annually within AAIS. This committee monitors the effectiveness of the best selection process for brokers and the quality of the service provided by them concerning the best selection and best execution criteria defined by AAIS in this Policy.

These criteria notably allow for the detection of any shortcomings and translate the results of controls and follow-up measures conducted during the semester into a qualitative rating that enables the decision to maintain or remove said brokers, or the opportunity to add a new broker for a given class of financial instruments.

An extraordinary Broker Committee may be convened in the event of a particular situation (such as the integration of a new broker for the interest of unit holders, or the limitation, suspension, or termination of relations with a broker due to, for example, the severity of its failures, the deterioration of its credit risk quality, or criminal or administrative sanctions it has faced).

F. Specificities of the financial management delegation framework

The funds for which AAIS delegates management are subject to the Best Execution/Selection Policy of the Financial Management Delegate, subject to restrictions on over-the-counter derivatives and listed derivatives.

The Delegate remains in control of the financial management of the funds, which is influenced by its Best Execution Policy. However, AAIS conducts certain due diligence to ensure compliance by the Financial Management Delegate with its obligations regarding Best Execution/Selection, including:

- ✓ Review of the Best Execution/Selection Policy of delegates carried out by AAIS's "Operational Due Diligence" team (complete initial due diligence and regular/ad hoc reviews).
- ✓ Contractual framework through the signing of an "Investment Management Agreement" or equivalent contractual document.

An annual sample-based control is conducted by AAIS's Compliance team.

G. Review of the policy

In accordance with Article 321-113 of the AMF General Regulation, this policy is reviewed at least once a year, as well as in the event of significant changes that may affect AAIS's ability to achieve the best possible result for unit holders. Any substantial modification of the policy is communicated via the company's website.