

### 1. Introduction

Swedbank Management Company S.A. (the "Manco") is a management company relating to undertakings for collective investment and AIFM on alternative investment fund managers. The Manco is not a member of any stock exchange. The Manco may handle Funds' orders involving financial instruments by transmitting the orders to its depository bank (Swedbank AB (publ)) or one of the brokers chosen by the Manco, which carries out the actual buying or selling in accordance with its guidelines for best execution. The depository bank or broker may carry out the order by placing an order to buy or sell, for example, shares, with an external trading venue, often a stock exchange or a so-called MTF (multilateral trading facility), or by acting itself as the client's counter party at a price equivalent to the market price.

The above does not apply to orders involving fund units not traded on a market place. The Manco places such orders directly with the fund management company of the fund in question (or equivalent) for execution in accordance with the fund's fund regulations (or equivalent).

According to the EU's so-called MiFID directive, which, among other things, is intended to increase investor protection in the markets for financial instruments, investment firms and banks within the EU are obliged to take all reasonable measures to achieve the best possible result for their clients when providing execution or transmission of orders for their clients. The directive has been incorporated in Luxembourg law through the law of 13 July 2007 on markets in financial instruments and related regulations and circulars.

In accordance with the above directive and regulations, as amended from time to time, the Manco has established internal guidelines on how to handle client orders in order to achieve the best possible execution thereof. If you give specific instructions regarding one or more orders, such instructions will, however, have precedence over what is stipulated in the guidelines. Such specific instructions can thus result in the Manco not being able to take the measures stipulated below for achieving the best possible result for you.

Below, information is given on the Manco guidelines for handling client orders as regards financial instruments. What is said below also applies to orders transmitted within the framework of Fund portfolio management.

### 2. The Manco's choice of broker in conjunction with the transmission of orders

The Manco places normally clients' orders with its depository bank. However, if the Manco deems so appropriate and in the best interest of the client it may place clients' orders with a broker other than the depository bank.

A list of the brokers to whom the Manco currently transmits orders is available on demand.

The Manco uses a limited number of brokers, since this, in the Manco's opinion, is in the client's best interest.

### 3. Evaluation of the Manco's choice of brokers in conjunction with the transmission of orders

The Manco's choice of brokers, besides the depository bank, in conjunction with the transmission of orders takes place through a regular evaluation, at least once per year, of the relevant broker's ability to offer order execution that is advantageous for the Manco's clients. In this evaluation, consideration is given, among other things, to the criteria set out in section 4 below, as well as to the following factors:

- How many, and on which, trading venues the broker participates in trading
- The broker's awareness and understanding of the wishes and priorities, etc., of the Manco's clients
- Which other services, such as advice and analysis activities, the broker is able to offer the Manco's clients (directly or through the Manco)
- The Manco's familiarity with the broker and the confidence that the Manco has in the broker
- How the broker's best execution guidelines are formulated and how its clients are informed of these guidelines

### 4. The relative significance of various factors in conjunction with the transmission of orders

In order to achieve the best possible result for you as a client, the Manco will, in so far as is possible and relevant, take into account the following factors when orders are transmitted to brokers:

- The order's size and type
- The price
- Costs in connection with the transaction
- Speed
- The likelihood that the order will lead to a transaction and that the transaction can be settled
- The client's category
- Other circumstances of significance for the client

Normally, the Manco will accord the greatest significance to the client's total cost (the price of the financial instrument and the costs associated directly

with execution of the transaction). In certain cases, for example in conjunction with large orders, orders with specific conditions, etc., the Manco may accord greater significance to other factors, such as whether, in the Manco's opinion, due to its size or type, the order may have a significant impact on price or affect the likelihood that the order will be executed or can be settled, or where, for other reasons, it is relevant to accord greater significance to factors other than the price. The Manco may also take into account that different categories of clients may have different characteristics and thereby different priorities regarding the significance of the various factors. However, certain factors may be of greater significance than others in conjunction with transmission of orders in special products or on different marketplaces, among other things due to distinguishing characteristics of the instruments in question or of the marketplaces.

### 5. Particular information regarding best order execution when trading in fund units

The Manco will carry out your orders regarding fund units (which are not traded on a market place) by forwarding these to the fund management company of the fund in question (or equivalent) for execution in accordance with the fund's regulations (or equivalent). For information regarding pricing of fund units, you are referred to the fund management company in question.

Orders for fund units traded on a market place will be forwarded to one of the brokers chosen by the Manco.

### 6. Particular information regarding best order execution when trading in instruments that are not traded on any external trading venue

The Manco will execute your orders regarding financial instruments that are not traded on any external trading venue by executing the order directly with the depository bank or one of the brokers that the Manco transmits orders to. Examples of such financial instruments are certain bonds, money-market instruments, fixed-income derivatives, F/X derivatives and OTC-instruments. The factors and criteria set out in sections 3 and 4 are applicable when the Manco chooses broker.

### 7. Handling of orders, consolidation and allocation

The Manco will transmit (or execute pursuant to section 6) your orders rapidly, efficiently and fairly. Comparable client orders are transmitted immediately, and in the time sequence they were received, provided that this is not made impossible by the characteristics of the order or current market conditions, or if something else is required on account of the client's interests.

In exceptional cases the Manco may consolidate your order with other clients' orders. This takes place in order to benefit the clients and it is thus unlikely that consolidation will generally be to the disadvantage of an individual client whose order is included in the consolidation. It cannot, however, be ruled out that consolidation with respect to an individual order may be to your disadvantage.

A consolidated order which is executed in its entirety at the same price is allocated in accordance with the volume of the original orders and at the trade price. Where a consolidated order could only be partially executed or where a consolidated order was executed by means of several transactions and at different prices, the executed trade is allocated in accordance to time priority, i.e. a later original order is allocated only if an earlier order was allocated in full and at the price applying as a consequence of the time priority.

### 8. Disruptions in the market or trading system

In the case of disruptions in the market or in the Manco's, the depository bank or any brokers' own systems, resulting from such things as power failure or insufficient access in technical systems, it may, in the Manco's opinion be impossible or unsuitable to implement your order in accordance with what has been set out herein. In that case, the Manco will take all reasonable measures to achieve the best possible result for you in some other way.

### 9. Amendments

The Manco will regularly review, and, when necessary, carry out changes to its internal guidelines for the handling of client orders, and to this information document. This document is available on the Manco's website, [www.swedbank.lu](http://www.swedbank.lu). Changes will apply immediately upon their publication on the website.

### 10. More information

Further information can be obtained from the Manco's Compliance Officer.