



EXECUTION AND ALLOCATION
POLICY OF C WORLDWIDE
ASSET MANAGEMENT
FONDSMAEGLERSELSKAB A/S

June 2021



1 INTRODUCTION

When executing or receiving and transmitting a client's orders and when placing orders for a client in the course of managing the client's portfolio, C WorldWide Asset Management Fondsmæglerselskab A/S ("CWW AM") takes all sufficient measures to obtain the best possible result for the client ("Best Execution").

When seeking Best Execution for the client, CWW AM takes into account price, costs, speed, likelihood of execution and settlement, size, broker selection and any other consideration directly relevant to the execution of the order.

Any specific instructions from a client to CWW AM may prevent CWW AM from obtaining the best possible result for the execution of orders covered by the client's instructions.

CWW AM is not itself a member of regulated markets. As such, CWW AM trades through brokers and/or multilateral trading facilities.


CWW AM engages in proprietary trading in limited instances. This primarily occurs in connection with the issuance of Danish investment association shares.

In the following CWW AM's trading procedures and allocation principles are described further.

2 EXECUTION OF CLIENT ORDERS: DANISH INVESTMENT ASSOCIATIONS, UCITS AND OTHER COLLECTIVE INVESTMENT SCHEMES

CWW AM executes respectively receives and transmits client orders relating to units or shares in Danish investment associations, UCITS and other collective investment schemes if these are managed by CWW AM or otherwise covered by an agreement between CWW AM and the client. CWW AM does not accept orders from U.S. resident clients.

In the case of client orders placed with CWW AM in Denmark for shares in Danish collective investment schemes, CWW AM will be the counterparty in the client's trades. However, all trades are settled directly between, on one hand, the client, and on the other hand the market maker of the collective investment scheme or the collective investment scheme itself. CWW AM does not execute clients orders on its own account.



CWW AM places orders in listed shares of Danish investment associations managed by CWW AM with the market maker of the investment association. Trades in unlisted shares are placed directly with the investment association.

Trades in shares of other Danish collective investment schemes than those mentioned above are placed with a broker or directly with the collective investment scheme.

Client orders received by CWW AM's Swedish Branch for units or shares in UCITS domiciled in Luxembourg will be transmitted to the management company of the UCITS for execution in accordance with the procedures and at the price as described in the prospectus of the UCITS.

3 EXECUTION OF EQUITY TRADES FOR PORTFOLIO AND ADVISORY CLIENTS

CWW AM primarily executes the following types of orders:

Volume-weighted orders at average price ("VWAP"): CWW AM places orders through brokers in the form of volume-weighted transactions at the average price. The broker settles at an average price when the total order has been executed.

At market orders: CWW AM places these orders through brokers as market orders when the orders are small and can be executed in one single transaction in the market. Settlement is at the achieved market price.


Limit orders: In addition to market- and volume weighted orders, the order can be placed via a broker with a maximum or minimum limit price.

CWW AM may furthermore choose to execute orders in multiple transactions. This is based on the information available in the market, i.e. on liquidity.

All orders are placed with executing brokers who route these to regulated markets, through multilateral trading facilities or dark pools or execute them on a proprietary basis. After execution, CWW AM will allocate the portion of the orders relating to the individual client's portfolio in accordance with CWW AM's allocation policies and procedures.

CWW AM endeavors to achieve Best Execution under prevailing market conditions.

CWW AM has a list of authorised brokers deemed by CWW AM to be those delivering the best overall quality at the right price in the respective markets.



The brokers are subject to evaluation when added to this list and at least once a year or when otherwise required according to pre-agreed criteria. The criteria are:

- Broker skills (including speed and quality of execution)
- Commission rates
- Quality of service
- Counterparty risk.

CWW AM uses the following criteria when selecting a broker with whom to place an order:

- Total consideration to the client
- Brokerage commission
- The broker's turnover in the particular security (flow), taking into account the size of the trade
- Execution performance record in the relevant market, taking into account the complexity of the trade
- Ability to ensure timely and correct settlement
- Line limits

Under normal market conditions and with high liquidity, the total consideration is of the highest priority.


In case of equities with a low liquidity, the broker's flow is a highly ranking factor.

When trading in complicated markets, the broker's execution track record and the likelihood of execution is of priority.

The trade with the selected broker must always remain within the line limits set up by CWW AM for risk management purposes.

Orders are predominantly placed in recognised and regulated markets or multilateral trading facilities. However, in exceptional cases, for example when executing orders in illiquid equities, such transactions may be conducted over the counter.

CWW AM uses an IT-system that checks all the trading prices obtained for transactions against relevant benchmarks. CWW AM evaluates the results regularly.



All trades settle directly between buyer and seller and CWW AM does not take positions on and off its books. However, CWW AM remains the client's counterparty as well as the counterparty in the market. This means that CWW AM and not the Client has the counterparty risk on the different brokers. Instead, the Client has the counterparty risk on CWW AM on all the trades.

In exceptional cases, CWW AM engages in cross trades – where one client trades with another client and CWW AM exercises investment discretion for both clients. The trading price is fixed on the basis of the prevailing market prices provided by Reuters or Bloomberg. CWW AM does not charge brokerage fee to its clients in relation to cross trades.

4 EXECUTION OF BOND TRADES FOR PORTFOLIO CLIENTS AND ADVISORY CLIENTS


Orders may be executed by the broker's proprietary trading. After execution, CWW AM will allocate the portion of the orders relating to the individual client's portfolio in accordance with CWW AM's allocation policies and procedures.

In the vast majority of cases, bond transactions for clients are implemented immediately with CWW AM agreeing on a transaction with a counterparty if it is at market levels. Before making the agreement, the price is compared with prices from several other market participants.

In certain cases, CWW AM may obtain better prices for the clients by instructing a broker to trade on our behalf within agreed terms. These are only conducted with counterparties of which CWW AM has thorough knowledge and with a strong relationship of trust. In such cases, CWW AM will seek in advance a realistic price, the order will be followed closely for as long as it is outstanding, and the price obtained will subsequently be evaluated.

In exceptional cases, internal cross trades are carried out between two of CWW AM's clients where CWW AM exercises discretion for both clients. For liquid bonds, the price is fixed on the basis of prices provided by Reuters or Bloomberg. For illiquid bonds, an estimated price is calculated, and at the same time CWW AM asks for a price assessment from an external broker. CWW AM does not charge brokerage fee to its clients in relation to cross trades.

CWW AM has a list of authorised brokers deemed by CWW AM to be those delivering the best overall quality at the right price in the respective markets. The brokers are subject to evaluation when added to this list and at least once a year or when otherwise required. In assessing broker quality, CWW AM emphasises the broker's bid/ask spread, i.e. the possibility of offering the best prices to CWW AM's clients. Furthermore, CWW AM emphasises the quality of the broker's settlement.



All trades settle directly between buyer and seller and CWW AM does not take positions on and off its books. However, CWW AM remains the client's counterparty as well as the counterparty in the market. This means that CWW AM and not the Client has the counterparty risk on the different brokers. Instead, the Client has the counterparty risk on CWW AM on all the trades.

5 EXECUTION OF TRADES FOR PORTFOLIO CLIENTS AND ADVISORY CLIENTS IN UNITS/SHARES IN DANISH INVESTMENT ASSOCIATIONS, UCITS AND OTHER COLLECTIVE INVESTMENT SCHEMES

For changes to portfolios including units/shares in Danish investment associations or other collective investment schemes (including UCITS and AIFs), transactions are executed for the client according to the same principles as those applied for the execution of orders. See above. However, in case of units in collective investment schemes managed outside of the CWW AM Group and which are traded on a regulated market, the order can also be executed by applying the same principles and the same brokers as for equity trades.


6 TRANSMISSION OF DERIVATIVES TRADES FOR PORTFOLIO CLIENTS

CWW AM only transmits trades in listed derivatives. CWW AM primarily transmits client trades as market orders: CWW AM places market orders when the orders are small and can be executed in one single transaction in the market. Settlement is at the achieved market price.

All orders are placed in the clients' names with executing brokers who route these out through internal trading platforms which executes directly on the market. After execution, CWW AM will allocate the portion of the orders relating to the individual client's portfolio in accordance with CWW AM's allocation policies and procedures.

CWW AM endeavours to achieve Best Execution under prevailing market conditions.

CWW AM has a list of authorized derivatives brokers deemed by CWW AM to be those delivering the best overall quality at the right price in the respective markets.



The derivative brokers are subject to evaluation when added to this list and at least once a year or when otherwise required according to pre-agreed criteria. The criteria are:

- Broker skills (including speed and quality of execution)
- Commission rates
- Quality of service

CWW AM uses the following criteria when selecting a broker with whom to place an order:

- Total consideration to the client
- Brokerage commission
- The broker's turnover in the particular derivative (flow), taking into account the size of the trade
- Execution performance record in the relevant market, taking into account the complexity of the trade
- Ability to ensure timely and correct settlement

Under normal market conditions and with high liquidity, the total consideration is of the highest priority.

In case of derivatives with a low liquidity, the broker's flow is a highly ranking factor.


When trading in complicated markets, the broker's execution track record and the likelihood of execution is of priority.

CWW AM makes checks of the trading price obtained for transactions by comparing it with the trading prices listed on Bloomberg.

All derivative trades are entered into in the client's name and the client has the counterpart risk towards the broker. In the case of exchange traded derivatives, the risk is mitigated through the central counterparties and the use of collateral. The risk will be managed in accordance with the risk limits set out by the client.

7 EVALUATION OF BEST EXECUTION

CWW AM evaluates all trades on an ongoing basis in order to ensure Best Execution.



CWW AM performs an IT based monitoring of the trades based on the different trading strategies and the broker skills, including settlement prices, costs and speed/quality of the execution. Settlement prices of equities, bonds and investment associations are evaluated according to relevant benchmarks.

8 PUBLICATION OF TOP FIVE EXECUTION VENUES AND LIST OF BROKERS

Annually, CWW AM makes public for each class of financial instrument on its web-page www.cworldwide.com its top five execution venues applied in the preceding year and information on the quality of execution obtained.

A list of the brokers applied by CWW AM is available on its web-page www.cworldwide.com. The list will be updated from time to time in case of material changes.

9 ALLOCATION POLICY

CWW AM handles orders placed by the clients as quickly as possible.

CWW AM may execute block trades (aggregated orders for two or more portfolio and advisory clients). The general rule is that all trades of a given day with a given broker are allocated to clients immediately after the relevant exchange closes with the same price applying to all clients. In the event of large portfolio changes, several brokers will be used and as a consequence, prices may vary. See below. Occasionally, warehousing is used.

Trades are internally communicated i.e. followed through an order management application. The application ensures that the portfolio manager will be able to follow the process in whole and that all steps in the process are logged.

Pro rata allocation

CWW AM allocates pro rata as further described below.

When executing orders in the same security for a multitude of portfolio or advisory clients, allocation is as the main rule done pro rata. Pro rata implies that the trades are allocated proportionately to the clients in accordance with the size of the outstanding order size for the individual client relative to the outstanding aggregated order size.



If CWW AM deems that pro rate allocation is not in the interest of a client, e.g. due to high relative transaction costs, then CWW AM may exclude this client from the allocation.

Furthermore, if a client on a given day does not have sufficient liquidity then the client is taken out of the pro-rata allocation.

If a client has in- or outflows CWW AM may prioritise these trades over large aggregated portfolio trades due to a change in the composition of a multitude of portfolios. This shall ensure that clients are not prevented from withdrawing funds from or investing new funds in a portfolio, as CWW AM may need a longer time to implement larger aggregated portfolio trades in order not to effect market prices.

10 ENTRY INTO FORCE

This policy shall be applied as of 18 June 2021.

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