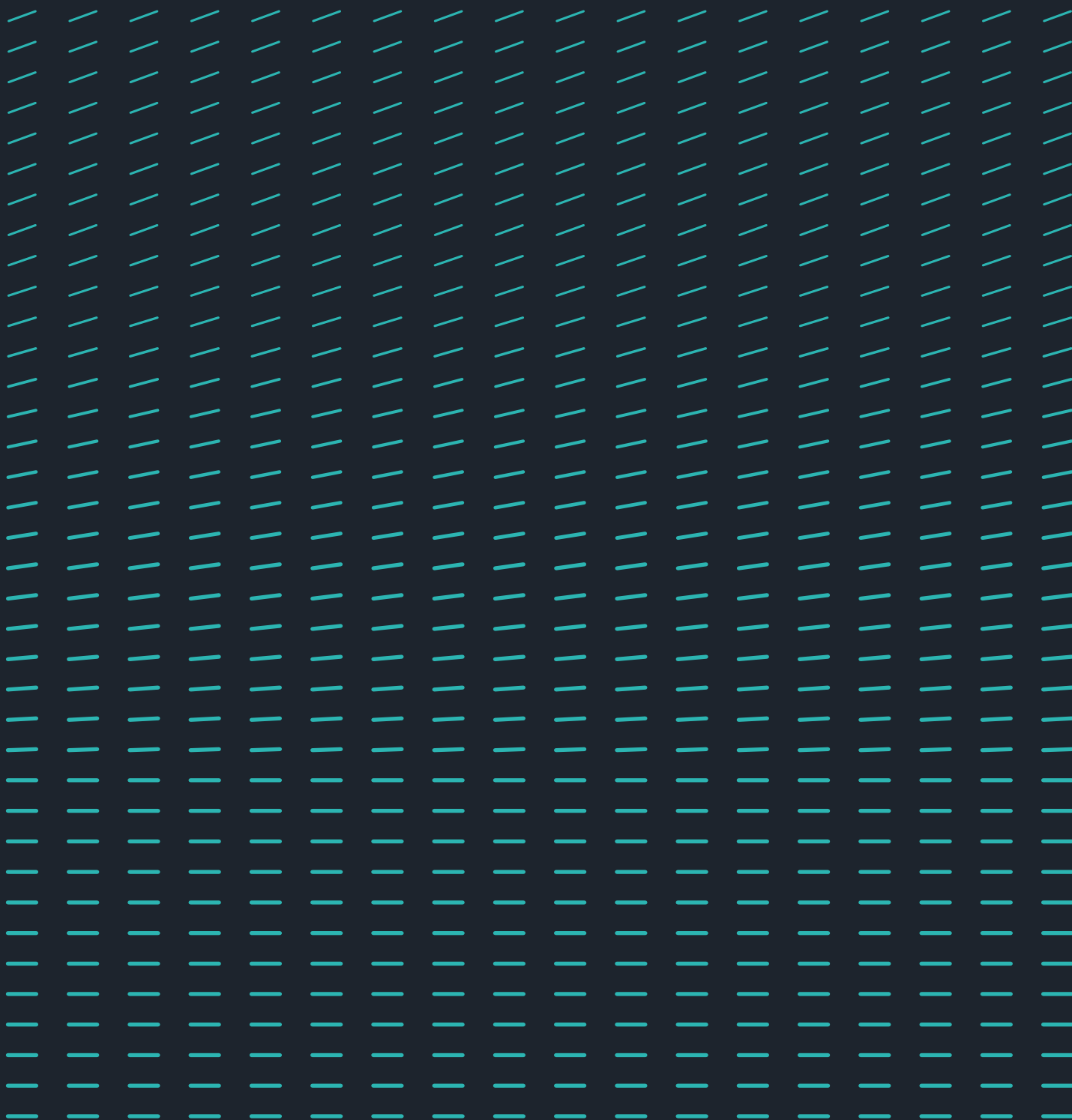


Carne Global Fund Managers (Luxembourg) S.A. Best Execution Policy



Introduction

The Best Execution Policy (the “Policy”) describes the arrangements which Carne Global Fund Managers (Luxembourg) S.A. (“the Company”) has in place to ensure that the best execution and client order handling obligations set out in the provisions of the UCITS and AIFMD Regulations are followed.

Regulatory requirements

The provisions under the Regulations require the Company to:

take all reasonable steps to obtain the best possible result for the Fund or its investors when: executing portfolio management decisions for the Fund; or placing orders with third parties for execution; put in place a best execution policy, to be reviewed annually and whenever there are material changes affecting best execution; monitor the effectiveness of their best execution arrangements on a regular basis; be able to demonstrate that they have acted in accordance with their best execution policy; and make appropriate information on its best execution policy (and changes to it) available to the Funds’ investors.

More generally, the Company must:

- put in place procedures for the prompt, fair and expeditious execution of orders for the Funds, which should ensure that:
 - orders are executed promptly and are accurately recorded and allocated;
 - otherwise comparable orders are executed sequentially and promptly unless this:
 - is impracticable because of the characteristics of the order or prevailing market conditions; or
 - is not in the best interests of the Fund or its investors;
- ensure assets received on settlement of a trade are promptly and correctly delivered to the Fund or registered in its account;
- not misuse information relating to pending Fund orders, e.g. by front-running, (and must take all reasonable steps to prevent others from doing so);
- only aggregate Fund orders with orders for another Fund (AIF, UCITS) or client if:
 - it is reasonably expected that aggregation will not work to the overall disadvantage of any AIF, UCITS or other client whose order is to be aggregated;
 - the Company has implemented a policy for the fair allocation of aggregated orders (including how the volume and price of orders determine allocation, and how partial executions are treated); and
 - partially executed orders are allocated in accordance with the Company’s order allocation policy; and
- only aggregate orders for AIFs, UCITS or other clients with the Company’s own orders if:
 - the resulting trades are not allocated in a way that is detrimental to the AIF, UCITS or client; and
 - partially executed orders are allocated to the AIF, UCITS or client in priority over those for the Company’s own account (unless the Company can demonstrate that aggregation was necessary for the transactions to be carried out on such advantageous terms, or at all - in which case, they may be allocated proportionally).

Recitals in the Regulations clarify that best execution and order handling obligations will not apply where there has been an extensive negotiation of the terms of a particular investment (e.g. in real estate, partnership interests or (in respect of order handling obligations) non-listed companies).

The Regulations specify that execution venues that may be used include:



- regulated markets;
- multi-lateral trading facilities ("MTF");
- systematic internalisers (i.e., a firm which, on an organized, frequent and systematic basis, deals on own account by executing client orders outside a regulated market or an MTF);
- market makers or other liquidity providers (which includes non-European Economic Entities that perform a similar function to the other Execution Venues listed above); and
- by matching orders internally through a crossing network or through a third party crossing network.

Scope & Applicability

The principles of best execution ("Principles") as set out in this apply to the execution of orders on behalf of the Company's Funds.

Where the Company undertakes the portfolio management activity itself, it shall comply with the Principles as set out in this Policy.

Where the Company delegates the discretionary portfolio management activity for the Funds to delegated third party investment managers ("Investment Manager"), the obligation to ensure that best execution is achieved and that the handling of orders is undertaken in a prompt, fair and expeditious manner in compliance with the applicable Regulations has been delegated by the Company to each Investment Manager as part of the delegation of the portfolio management activities.

Principles of best execution

"Best execution" is a determination of facts and circumstances that depends, among other things, on the nature of the transaction, the price and availability of the investment instrument, the size of the order, the terms of the order, the market in which the transaction is effected, and the extent to which it is possible to select from among multiple broker-dealers capable of effecting the transaction.

Execution venues

The Company shall ensure the best possible order execution for its clients by selecting what it believes is the most suitable means of execution, taking into account the execution factors and criteria set out below:

- Orders for equities or derivatives would be generally executed via trading intermediaries on regulated markets, exchange-like trading systems or via systematic internalisers
- Non-exchange traded derivatives ("OTC derivatives") would be principally traded on a bilateral basis with the respective broker subject to a standard contractual agreements
- Orders for bonds would be generally placed on over-the-counter (OTC) markets. Quoted prices on these markets are not generally made available by the counterparties as the OTC market is characterised by proprietary trading transactions and as such the markets are decentralised, fragmented and opaque (due to low pre-trade transparency). Prices are negotiated on a bilateral basis with the counterparties. These counterparties often have proprietary holdings in these instruments, for which they quote prices. Unlike on the equity markets, the choice of counterparties for bonds is often limited. In many cases, as the products are only offered by a limited number of counterparties, there is not much transparency in terms of liquidity or price. In volatile non-transparent markets, it may be necessary to accept the first price offered without the opportunity to obtain or request other prices. Moreover, there may be bonds offered exclusively through one counterparty, or for which settlement of an order of a certain size can only be guaranteed by one counterparty, in which cases it is not possible to obtain a comparative offer.



- Wherever orders are executed for equity, derivatives or bonds via trading intermediaries, the Company shall consider whether appropriate best execution frameworks at the intermediaries are in place.

Execution process

Transactions are executed through counterparties that are selected in line with objective criteria. Execution is undertaken on the basis of agreed processes and it is assessed in line with these criteria.

Due to the nature of the business of the Company, there are no internal counterparties or brokers within the Carne Group.

Execution factors and criteria

In order to comply with the Principles and the regulatory provisions, the following execution factors are assessed by the Company when seeking to achieve best execution:

- price
- transaction costs
- speed and type of execution
- likelihood of execution
- size of the order
- time of the order
- type of financial instrument
- any other consideration that is key to order execution.

Although the price is usually a key factor, the value of a particular transaction can be influenced by the other execution factors and therefore the relative importance of the factors listed above may vary depending on the following execution criteria:

- type of order
- type of financial instrument
- type of place of execution.

Exceptions to best execution principles

Due to system failures or extraordinary market conditions it may be necessary to execute an order in a manner deviating from the Principles set out above. Nevertheless, even in such cases the Company shall aim to achieve the best possible result for the Funds.

Review process

The Policy is reviewed on an annual basis and more frequently as required to reflect business and market developments.



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Signatory of:
 **PRI** Principles for
Responsible
Investment