BEST SELECTION / EXECUTION POLICY

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1. Objectives of the Policy

STILGAR ASSET MANAGEMENT is an institution authorized by the *Autorité des Marchés Financiers* (AMF) as a portfolio management company allowed to deal in certain financial instruments referred to in Section C "Financial Instruments" of Annex I to Directive 2014/65/EU.

The Markets in Financial Instruments Directive (Directive 2014/65/EU, known as "MiFID II") and the "MiFIR" regulation aim to revise the "MiFID I" directive and represent a major step forward in addressing the evolution of financial markets. They are primarily guided by improving the safety, transparency, and operation of financial markets, as well as strengthening investor protection.

The requirement for best execution of orders, adopted pursuant to Directive MiFID I, is an essential part of this framework. It aims to promote both overall market efficiency and the achievement, at an individual level, of the best possible result when the Investment Services Provider (ISP / *PSI*) acts on behalf of its clients.

The MiFID II directive strengthens the obligations to obtain the best possible result when executing an order, requiring authorized ISPs to deploy enhanced resources. It also provides for increased transparency through the publication of information regarding the top five execution ISPs used and the execution quality obtained.

This Policy describes the principles adopted by Stilgar AM regarding the selection of market intermediaries in order to obtain, in most cases, the best possible result for its clients (professional and non-professional). This takes into account cost, price, speed, likelihood of execution and settlement, size, nature of the order, or any other consideration relevant to order execution.

1. BEST SELECTION AND BEST EXECUTION FRAMEWORK

STILGAR ASSET MANAGEMENT is not a market member and, consequently, does not execute orders on financial markets itself.

It transmits and places orders with authorized brokers, execution ISPs, and counterparties for execution without prior knowledge of the final execution venue that will be selected.

Stilgar AM's fund managers have access to a list of authorized counterparties or brokers. No transaction may be initiated with an intermediary that is not on this list.

STILGAR ASSET MANAGEMENT has established an authorization process for execution ISPs, based on:

- A due diligence phase to ensure the execution ISP meets STILGAR ASSET MANAGEMENT's requirements (prudential, professional, reputational, conduct of business, etc.). The compliance file compiled by the RCCI includes the documents listed in the Appendix;
- Risk Control involvement, which is required to properly assess counterparty risk;
- An authorization process governed by the Intermediary Review Committee. Minimum participants include: Head of Portfolio Management, Head of Risk, Operations Management, and the RCCI (who drafts and archives committee minutes).

Selection considers the specific nature of orders transmitted by Stilgar AM (geographic scope, asset liquidity, testing...) and is based on expert judgment.

Criteria evaluated include:

- Reputation and financial/shareholding strength of the intermediary.
- Ability, under its execution policy, to seek the best possible result based on total cost for each financial instrument class.
- Quality of order execution and post-trade management, taking speed and likelihood of execution/settlement into account.
- Business continuity.
- Service pricing.

The approved list of brokers established following the "best selection" process is configured into order placement systems.

STILGAR ASSET MANAGEMENT systematically opts for **"professional client"** status with its execution ISPs in order to benefit from an adequate level of protection, particularly regarding order execution quality. This categorization implies that responsibility for the "best execution" obligation lies with the market intermediaries.

2. SELECTED EXECUTION VENUES

Depending on the order execution policy adopted by each selected intermediary, and in compliance with their best execution obligation, orders may be executed:

- On regulated markets
- On Multilateral Trading Facilities (MTFs / *SMN*)
- Via systematic internalisers
- Via market makers

3. EXECUTION CRITERIA

For equity orders, brokers are selected based on:

- Financial instrument execution price;
- Total transaction cost (instrument price + execution charges);
- Execution quality, including execution speed;
- Likelihood of execution (including access to block trades) and settlement;
- Broker connectivity and market technology;
- Quality of Back and Middle Office support (accuracy of trade confirmations and settlement).

For bond orders, counterparties are selected based on:

- Financial instrument execution price, particularly the counterparty's ability to price within the Bid/Ask spread;
- Execution quality, including execution speed;
- Likelihood of execution and settlement;
- Broker connectivity and market technology;
- Quality of Back and Middle Office support (accuracy of trade confirmations and settlement).

The portfolio management team systematically conducts a competitive bidding process (Request For Quote / "RFQ") among authorized counterparties before placing an order.

4. REPORT ON INTERMEDIATION FEES

In accordance with applicable regulations, when the management company uses investment decision-support and order execution services, and intermediation fees (order execution) exceeded **€500,000** for the previous financial year, STILGAR ASSET MANAGEMENT must prepare a “Report on intermediation fees".

This document specifies the conditions under which STILGAR ASSET MANAGEMENT used order execution and investment decision-support services during the previous financial year.

It also details the measures implemented to prevent or address potential conflicts of interest when selecting service providers.

Where applicable, this document will be made available on STILGAR ASSET MANAGEMENT's website.

Furthermore, the management report for each managed collective investment scheme explicitly refers to this document.

5. EVALUATION FRAMEWORK

STILGAR ASSET MANAGEMENT selects and evaluates providers of investment decision support and order execution services (SADIE) based on qualitative criteria, relating in particular to the quality and relevance of the financial analysis produced, its alignment with portfolio management needs, and the quality of the service provided. These providers are subject to periodic evaluation based on these criteria.

STILGAR ASSET MANAGEMENT holds a Review Committee at least annually to evaluate execution ISPs. The Review Committee meets to:

- Formalize the acceptance of new ISPs/counterparties;
- Analyze the results of execution quality evaluations over the period.

The number of criteria remains limited to foster consistent results and will be adapted for each class of financial instruments. These criteria may include:

- Brokerage rates, prices obtained, and total cost,
- Liquidity,
- Execution quality,
- Quality of provided tools and APIs (robustness, flexibility, latency, etc.),
- Post-trade data (quality of information regarding order execution).

6. NOTE

This summary presentation aims to clarify the essential principles and mechanisms of Stilgar AM's best selection and execution policy.

The complete (non-public) internal document details all applicable provisions.