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## Principles for the best execution of trading orders

### Introduction

Securities services providers are duty-bound to endeavour to ensure the best execution of customer orders. The following is a record of the execution principles followed in Flossbach von Storch trading decisions in order to ensure the best possible order execution in the interests of our investors.

### Area of application

These principles for the best possible execution of trading orders apply to all trading order executions implemented in the context of the management of investment funds and financial portfolio management for professional customers who have entrusted the processing of orders regarding financial instruments to Flossbach von Storch.

The principles apply to Flossbach von Storch AG and its subsidiaries (hereinafter referred to collectively as FvS)

These principles do not apply in relation to orders from FvS for the acquisition or sale of shares in open-end investment funds that are issued or redeemed through a custodian bank.

### Execution channels

FvS does not execute orders itself as part of its services, but generally commissions third parties to execute orders. A selection is made according to whether the commissioned institutions can always guarantee the best possible execution of the order in the interests of the customer.

### Key factors for the best possible execution of trading decisions and the best possible trading result

In order to achieve the best possible result during order execution, FvS takes the following factors into account:

- The price of the asset to be acquired
- The cost of executing the order
- The speed and manner in which orders are executed
- The likelihood that the order will be executed or completed
- The scope and type of the order
- The timing of the order
- The type of financial instrument
- Other relevant aspects for order execution



Even if the selection is always based on the overall payment, i.e. the purchase or sale price of the relevant financial instrument and all the costs associated with the execution of the order, including third party costs, selection can be influenced by the value of a particular transaction and the other execution factors. These factors are identified on a relative basis using the following criteria:

- The objectives, investment policy and specific risks of the fund, as described in the prospectus or possibly in the management regulations or founding principles of the fund
- Features of the order
- Features of the financial instruments that are the subject of the relevant order
- Features of the venues to which the order can be forwarded

#### Selection of the execution venue / broker

It is the duty of FvS for the execution of orders to only select trading partners whose trading model and execution patterns enable FvS to obtain the best possible result for the orders assigned. As a consequence, FvS selects its trading partners in a careful process and only uses trading partners whose execution principles are consistent with the execution principles of FvS. A list of the institutions commissioned by FvS to execute orders in financial instruments is available on request. The choice of trading partners is reviewed regularly and a corresponding change is made to the selection as required.

#### Merging of orders

FvS will bundle buy or sell orders and execute them as aggregated orders (block orders) if the order volume, securities, market segment, current market quality and price sensitivity of the security to the traded indicate that this is advisable in the interests of the affected customers.

FvS wishes to point out that such a merger can have a negative effect on an individual order. FvS shall only merge orders if this is unlikely to have a negative effect on individual customers.

#### The precedence of instructions from the customer

If, as part of a management or consulting agreement, the customer issues instructions to FvS indicating the venues where his order is to be executed, such instructions shall always have precedence over the order execution principles of FvS. In this case, the principles outlined above shall not apply.

#### Individual variations in execution



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On rare occasions, system failures or unusual market conditions may make it necessary to execute an order in a manner that diverges from these principles. However, under these circumstances, FvS will also do all it can to achieve the best possible result for its customers.

#### Review of the principles for the execution of orders

FvS shall review the execution principles outlined above at least once each year. Significant changes shall be published immediately.

FvS shall also regularly verify that the third parties it has commissioned execute the orders in accordance with their execution principles.