

Principles of Best Execution

This Best Execution Policy sets out principles and procedures aimed at achieving the best possible result for the investment fund or client portfolio through collective asset management and financial portfolio management transactions. It applies to all investors in the context of collective asset management and to clients of the financial portfolio management of CAM Alternatives GmbH (the „Company“).

The Company has a fiduciary obligation to the investors whose money it manages to obtain the best possible execution, unless the client restricts this obligation in some way. The Company views best execution as the effort to achieve „the best possible conditions under the circumstances of any transaction the Company enters into on behalf of its clients“.

As part of best execution, the Company undertakes at all times to act in the interests of its clients and to improve the performance of the investments it manages in order to increase the confidence of investors and clients in their investments and in the Company.

In making its investment decisions, the Company will take all reasonable steps to achieve the best execution results for the Alternative Investment Fund (AIF) it manages, taking into account the relevant factors and characteristics of the respective AIF. Due to the nature of the assets (investments in private equity and infrastructure funds and co-investments), there is in principle no selection of different execution venues. Although there are transactions of investments in private equity or infrastructure funds in the secondary market, there is no established market.

In exceptional cases, investment programmes managed by the Company may also include listed equities in their portfolio. This applies in particular (i) in the case of the IPO of a co-investment and (ii) in the case of payment-in-kind distributions of target funds. Orders for listed equities and equity derivatives are generally executed by brokers who have access to the relevant trading venues or have special expertise or regional expertise required for best execution.

Price is generally considered to be the main factor in achieving best execution (primary criterion), unless special circumstances require otherwise. Factors other than price may take precedence in order to achieve best execution. For example, in the event of market disruptions or system failures, aspects such as speed or a higher probability of execution and settlement may be prioritised.

The importance of the following secondary criteria shall be assessed on a case-by-case basis:

- Type of financial instrument and size of execution
- Probability of execution
- Probability of actual execution
- Willingness and capacity of the broker
- Speed of settlement.

The broker is usually commissioned by the administrator of the respective fund, who in turn is responsible for the best execution of the order and must provide proof of best execution to the Company as the asset management company.

For secondary market transactions, the price actually paid is not a reliable indicator of the current market valuation, as the sellers of such investments may be under pressure to release liquidity or have other urgent reasons to exit the investment before maturity. Sellers who are under pressure can often only sell their holdings at a discount to the net asset value reported to the AIF's asset management company. In the absence of reliable market comparability and an established main market, the Company decides on the valuation of the relevant investment on the basis of the most advantageous market for it. The valuation is based on the net income from a proper sale which would be distributed in accordance with the underlying articles of association and which should in principle correspond to the net asset value reported to the general partner at the valuation date. If the manager becomes aware of any other criteria indicating that the reported net asset value does not correspond to the market value, a premium or discount to the net asset value will be taken into account.

Best execution factors

The criteria considered in the best execution decision and the criteria considered in a private equity investment are set out in detail in the Company's Fund Investment Procedures (description of the due diligence process).

The following principles apply if such assets are to be acquired by the AIF managed by the Company:

When deciding on the best execution process, it is essential to realise that the costs of execution do not relate solely to the best price or the commission payable to the broker. Other important factors to be considered are the existing price range of the buying and selling market, the market depth and other circumstances that result in opportunities or negative risks in an execution, as well as other market influences, taxes due and closing fees.

The following criteria are to be considered when deciding on best execution (not in order and not limited to those listed)::

- **Best price:**
A counterparty's ability to obtain the best overall price for a transaction and to sell or buy with little disruption to the market price.
- **Trade settlement:**
A counterparty should only be selected if it is known that the intermediary has the infrastructure and operational capability to execute and settle the trade and has only a low risk of default on delivery at settlement time.
- **Willingness to invest capital:**
When an investment is made in an illiquid or infrequently traded asset, a counterparty may be selected based on its willingness to take the investment on its own books.

- **Market knowledge:**
The counterparty's knowledge of the market for the respective investment and the underlying investment.
- **Reliability:**
The counterparty has shown in the past that it is able to assist in the settlement of a demanding transaction with respect to the investment in question or a similar investment.
- **Integrity and confidentiality:**
The counterparty guarantees that our interests will not be disclosed to the market.
- **Research quality:**
The counterparty provides high-quality research and services to support the investment decision process.
- **Specific situations:**
The counterparty has shown in the past that it is able and willing to react to specific market situations in the best possible way.

Within the framework of individual financial portfolio management for semi-professional and professional investors, investors may issue instructions with regard to the execution conditions for an individual investment or for all transactions to be carried out on their behalf, subject to investment law requirements. Such client instructions always take precedence over this policy and are implemented by the Company accordingly within the framework of the investment strategy of the respective management mandate.