

TAM Europe Asset Management A.V., S.A.U.

Order Execution Handbook

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TAM Europe Asset Management A.V., S.A.U.

TAM Europe Asset Management A.V., S.A.U. is authorised and regulated by the Comisión Nacional del Mercado de Valores (CNMV), No. 295.

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I. INTRODUCTION

“TAM EUROPE ASSET MANAGEMENT, A.V., S.A.U.” (hereinafter **“TEAM”** or the **“Company”**) is an *“Agencia de Valores”* registered under number 295 in the corresponding Administrative Registry of the National Securities Market Commission (**“CNMV”**) on July 10, 2020.

This document sets out the Order Execution Handbook (hereinafter, the **“Handbook”**), in accordance with Article 79.1 of RD 217/2008, developed by TEAM in order to comply with the provisions of the Markets in Financial Instruments regulations, comprising Directive 2014/65/EU, Directive 2006/73/EC, Regulation 1287/2006 (**“MiFID II”**) as well as the Spanish regulations comprising Royal Legislative Decree 4/2015, of 23 October, approving the recast text of the Securities Market Law (**“TRLMV”**) and Royal Decree 217/2008 of 15 February on the legal regime for investment services firms and other entities providing investment services (**“RD 217/2008”**).

The terms used in this Handbook shall have the meaning attributed to them in such regulations. This Handbook shall also be interpreted in accordance with such regulations.

Article 27 of Directive 2014/65/EU and Article 79 RD 217/2008 requires investment firms to take all reasonable steps to obtain the best possible result for their clients' transactions, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other element relevant to the execution of the order. It also provides that investment firms must establish and implement an order execution handbook that allows them to obtain the best possible result for their client orders.

Under this principle, TEAM and the brokers it designates, shall take reasonable steps to obtain the best possible result for its clients' transactions by implementing this Handbook which covers the financial instruments for which TEAM routes to its brokers the order for execution in the context of the investment services referred to in section 2.2 below.

TEAM undertakes to comply with the criteria set out in this Handbook which must generally be complied with, as well as to select brokers who in turn apply order execution policies that are not inconsistent with this Handbook. However, even if such criteria and principles are observed, TEAM cannot guarantee to obtain the best possible result in the execution of each and every order it routes on behalf of its clients, but only the application of this Handbook with the objective of achieving the best possible result on a consistent basis.

2. SCOPE OF THE ORDER EXECUTION HANDBOOK

The Handbook described in this document shall apply to all retail and professional clients of TEAM who:

- (i) Maintains a portfolio managed by TEAM. This Handbook shall apply to all orders generated by TEAM on behalf of its clients in the course of the provision of the portfolio management service
- (ii) Transmit orders for its execution by a third party broker selected by TEAM. .

Notwithstanding the foregoing, there may be nuances in the application of this Handbook depending on the "retail" or "professional" classification assigned to the client.

TEAM does not provide, at the time of the approval of this version of the handbook, services to clients who are considered “eligible counterparties”.

2.1 Services

The Handbook will apply to the following investment services provided by TEAM:

- (i) Receipt and transmission of client orders in relation to one or more financial instruments, and execution of such orders by third parties; and
- (ii) Orders instructed by TEAM in the context of the portfolio management service pursuant to mandates conferred by clients.

Accordingly, to the extent that the provision of a particular investment or ancillary service does not require the execution of a mandate to buy, sell or otherwise deal in a financial instrument, such activity shall be deemed to be excluded from the order execution rules contained in this Handbook.

2.2 Instruments

This Handbook shall apply to the receipt and transmission by TEAM of the following financial instruments:

- (i) UCITS qualified Collective Investment Schemes (“**CIS**”).
- (ii) Liquid exchange traded Exchange Traded Funds (“**ETFs**”).

At the time of the approval of this version of the handbook, TEAM does not provide investment or ancillary services related to financial instruments different from the ones detailed in the list above.

Other instruments other than those provided for in article 2 of the TRLMV such as, for example, shares or participations in venture capital entities, participations in pension funds, bank deposits, etc., are excluded from the application of the rules contained in this Handbook.

3. BEST EXECUTION PRINCIPLE

When TEAM transmits client orders on financial instruments for execution by a third party entity authorised for this purpose, whether as part of the order reception and transmission service or as part of the provision of a portfolio management service, it shall take all reasonable measures to obtain the best possible result in the execution of the orders, in accordance with the provisions of MiFID regulations and this Handbook.

The objective of this Handbook is to improve the quality of the order reception, order transmission and order execution services both in those cases where TEAM receives the order from its clients and in those cases where the order is originated by TEAM in the framework of the provision of the portfolio management service.

TEAM shall ensure that the financial brokers to whom orders may be transmitted have a best execution and order handling handbook that is appropriate and compatible with that of TEAM and Spanish applicable regulations.

4. INTERMEDIARIES

In general, TEAM will:

- (i) Pass the orders received from its clients relating to CIS or ETFs on to third party brokers authorised to execute them.

Pass the buy / sell orders internally decided in the context of the portfolio management services on to third party brokers authorised to execute them.

TEAM, when assessing and selecting brokers, shall take into account the following specific criteria:

- (i) The terms of the execution arrangements adopted by the intermediaries, in order to determine whether these will enable TEAM to comply with all the requirements associated with order execution, to the extent that such information is, within reasonable, available.
- (ii) Whether the intermediary is subject to the order execution requirements of MiFID or contractually undertakes to comply with that regime and, consequently, the terms of that intermediary's best execution handbook.
- (iii) The information received by TEAM from intermediaries and any other reasonably available information, and whether the intermediary has agreed to treat TEAM as a professional or retail client.
- (iv) The intermediary's methodology for determining the relative importance of the factors referred to in section 5 and following, based on the intermediary's commercial experience and judgement.
- (v) The intermediary's assessment and use of other execution venues to enable the intermediary to consistently achieve the best possible result when executing client orders.
- (vi) The processes, methods and rationale of the intermediary for executing orders in a particular manner, for example, by crossing orders, acting as a systematic order internaliser or counterparty, placing the order on a regulated market or multilateral trading facility or transmitting it to a third party.
- (vii) Relevant information on the processes and systems of the intermediary to monitor its best execution procedures.
- (viii) The credit rate given to the intermediary or the group to which it belongs by reputable credit rating agencies.
- (ix) The solvency and proven experience and reputation of the intermediary in this activity.

The approval of the list of authorised intermediaries is the responsibility of TEAM's Board of Directors. Currently, TEAM has selected the intermediaries listed in **Annex I** for transactions within the scope of this Handbook

In respect of international markets where the relevant intermediaries do not operate directly, such intermediaries have in turn selected other local or global intermediaries authorised to operate in the relevant markets taking into account their solvency, experience and reputation in each market. TEAM shall disclose the identity of such intermediaries upon request to clients potentially interested in trading in a particular foreign market.

In this case, the incident shall be documented in writing, indicating, succinctly, the elements allowing the identification of the respective order as well as the person responsible for approving its redirection to the substitute intermediary. The written report documenting the incident shall be addressed to the head of the Compliance Unit, who shall report it to the Board of Directors.

5. GENERAL CONSIDERATIONS

In the execution of orders, all reasonable steps shall be taken to obtain the best possible result in the execution of orders by third parties.

In the case of orders from retail clients who have not given specific instructions, the best possible result shall be identified with the third party broker with the best price and execution-related costs. Execution-related costs shall include all costs incurred by the client that are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

When the client gives specific instructions regarding the execution of his order, provided that they are in accordance with the types of orders and execution venues admitted by the third party brokers selected by TEAM, the instructions to the broker would be to obtain the best possible result, but always in accordance with such instructions. This means that in the event that a client gives specific instructions which do not comply with this Handbook, the appointed intermediary will not take the action described in this document, but will comply with the client's instructions. This circumstance shall be duly informed to the client.

Orders received, once validated by TEAM, provided they conform to the types of orders admitted by TEAM and its appointed intermediaries and this is possible in accordance with the trading hours of the markets on which such securities are traded, are transmitted in real time for execution to the market member chosen for this purpose.

TEAM will, prior to the provision of the investment service, make available to its clients on its website www.tameurope.com a copy of this Handbook. This is without prejudice to the copy which shall be provided to the clients attached to the Investment Services Agreement.

Accordingly, TEAM when transmitting its clients' orders to the market member, and the market member when executing the orders transmitted by TEAM, shall take into account the following factors to determine the best possible result in the execution of orders:

- (i) Price.
- (ii) Charges and commissions.
- (iii) Speed of execution and settlement.
- (iv) Probability and certainty of execution and settlement.
- (v) Nature of the order.
- (vi) Size of the order.
- (vii) Any other circumstances relevant to the execution of the order, such as qualitative or quantitative factors relating to the financial intermediary executing the order (order execution capacity, financial responsibility, experience in financial markets, reputation, etc.).

The relative importance of each factor shall be determined taking into account the following considerations:

- (i) Particular characteristics of the client (including its classification as a retail client or professional client).
- (ii) Specific characteristics of the order.
- (iii) Characteristics of the financial instrument that is the subject of the order.
- (iv) Characteristics of the execution venues to which the order may be addressed.

6. ORDER EXECUTION PROCEDURES

Orders will be executed in accordance with the specific client instructions provided to TEAM, except as set out in the third paragraph of section 5 of this Handbook.

Transactions to sell a particular financial instrument will be executed on the same execution venue where the transaction to buy that instrument was executed, thereby reducing transfer charges.

Without prejudice to the previous paragraph, where the client holds a particular position in a particular financial instrument and intends to enter into a purchase transaction in the same instrument on another execution venue, TEAM shall advise the client that it already holds a position in that instrument purchased on another execution venue. The client shall have the option of executing the order on the same or a different execution venue.

Factors for best execution are costs, price and probability of execution.

7. BEST EXECUTION APPROACH BY TYPE OF FINANCIAL INSTRUMENT

7.1 Collective Investment Schemes

TEAM only invests in Collective Investment Schemes that are compliant with Spanish and EU regulations (Undertakings for the Collective Investment in Transferable Securities - UCITS). UCITS is a regulatory framework of the European Commission that creates a harmonized regime throughout Europe for the management and sale of mutual funds. UCITS funds can be registered in Europe and sold to investors worldwide using unified regulatory and investor protection requirements. UCITS fund providers who meet the standards are exempt from national regulation in individual European countries. Subscription and redemption orders are transmitted to the selected intermediary. They are traded at net asset value.

Factors for best execution are cost and price.

7.2 Exchange Traded Funds

An Exchange-Traded Fund (ETF) is an investment fund that contains a basket of securities (similar to a mutual fund), and which can be bought and sold all day at market-determined prices (similar to stocks). ETFs are designed to meet specific investment objectives or strategies and offer low expense ratios and fewer broker commissions than buying the stocks individually.

Subscription and redemption orders are transmitted to the selected intermediary.

Factors for best execution are cost and price.

8. AGGREGATION OF ORDERS

TEAM may combine your orders with orders for its other clients. TEAM will only do this if it considers that it is unlikely to work to the overall disadvantage of you or any of its clients involved however it is possible that aggregating orders in this way may sometimes operate to your advantage and sometimes to your disadvantage by giving you a higher or lower price than might have been the case if your order had been placed individually

9. EXECUTION VENUES

The best execution principle does not oblige TEAM to have brokers who trade on all trading venues for the securities on which orders can potentially be executed.

Execution venues are regulated markets, multilateral trading facilities (MTFs), entities acting as market makers themselves or acting on their own account, systematic internalisers, or other liquidity providers, whether inside or outside the EEA.

Preferentially, TEAM select intermediaries who are part of the Pershing Securities International Limited group (which TEAM believes consistently deliver the best result):

In any case, except in the event that the order refers to a security excluded from trading on regulated markets, TEAM will not process orders referring to securities traded on unregulated markets.

TEAM will carry out a periodic review of the selection of potential and preferred execution venues and intermediaries to assess and identify those circumstances that require an update of the list of potential and preferred venues.

10. OTHER CRITERIA

TEAM will at all times follow the best execution principles and factors contained in this Handbook. However, in cases where, according to the circumstances prevailing in each individual case, the order should be brokered using any other criteria that would be more favourable to the client, TEAM may consent to a deviation from the best execution principles and factors contained in the Handbook of the intermediary, if this will achieve the best possible result for the client in brokering his order.

11. COMPLIANCE AND AMENDMENT OF THE HANDBOOK

As a general rule, TEAM will review this Handbook at least on an annual basis. Notwithstanding the foregoing, the Handbook may be updated and/or modified at least in the following cases:

- (i) When regulatory changes occur that affect the established Handbook.
- (ii) When a significant change occurs that affects TEAM's ability to continue to obtain the best possible results in the execution of its clients' orders.
- (iii) When, at the proposal of TEAM's competent body, the inclusion of new procedures is approved or existing procedures are modified.
- (iv) This Handbook shall be reviewed and updated to ensure its effectiveness at all times.

Any relevant modification that affects the Handbook will be communicated in due time and form to TEAM's customers. In any case, the updated version of this Handbook will be permanently available to customers and potential customers on TEAM's website www.tameurope.com.

12. MONITORING AND ARCHIVING OF INCIDENTS

12.1 Monitoring and Compliance

TEAM's Compliance Unit will ensure compliance with this Handbook and will be responsible for channeling any actions and improvements that may require modifications in light with the applicable regulations from time to time. Likewise, it will centralise the receipt of all possible modifications and improvements to this Handbook in order to initiate the approval process and submit said modifications to TEAM's Management.

With regard to verification of compliance with the Handbook, this shall include, at a minimum:

- (i) Verification (by reviewing transactions selected by random sampling), that TEAM has effectively used the execution venues or preferred intermediaries set out in this Handbook according to the type of financial instrument and client;
- (ii) Conducting a review and assessment of internal control, in order to establish the nature, timing and extent of the procedures for verifying compliance with the Handbook. The evaluation of internal control will consist mainly of the review of processes and controls; and
- (iii) Verification, by reviewing a random sample of customers, that TEAM has informed them of the most relevant aspects of this Handbook as well as any amendments thereto.

12.2 Archiving of incidents

TEAM's Compliance Unit shall regularly document the actions related to this Handbook, including, among other aspects, the following:

- (i) The actions carried out by the head of TEAM's Compliance Unit in relation to the annual review of this Handbook.
- (ii) Record of any incidents occurring in relation to the Handbook, which shall include the record of any deviations from the Handbook, the reasons justifying or determining such deviations and, where appropriate, the measures adopted to correct them.
- (iii) Record of those cases in which, in the best interest of intermediation of client orders, TEAM has departed from the best execution criteria contained in the Handbook in accordance with the contents of section 9 above. The information contained in the aforementioned register must be kept for a minimum period of 5 years.

13. CLIENT CONSENT AND COMMUNICATION

TEAM must obtain the consent of its clients to this Handbook prior to the intermediation of orders issued by them or carried out on their behalf within the framework of the portfolio management service. The consent is obtained together with the signature of the Investment Services Agreement (the consent will be attached as an Annex to the referred agreement). In the event of significant changes to the Handbook or with respect to the execution venues, clients will be informed of such

changes through a communication which will redirect them to the most updated version of this Handbook published in the TEAM website www.tameurope.com.

14. APPROVAL, CONTROL AND UPDATE OF THE HANDBOOK

This Handbook will be approved by the Company's Board of Directors and will enter into force in the date of its approval. Likewise, any modification of the Handbook must also be approved by the Company's Board of Directors.

This Handbook will be subject to review and update in order to guarantee its full effectiveness at all times, so it may be updated and / or modified, at least in the following cases:

- (i) When regulatory changes that affect this Handbook take place.
- (ii) At the proposal of the Compliance Unit of the Company.
- (iii) At the proposal of Supervisory Bodies.

ANNEX I

Selected intermediaries:

- (i) Entities belonging to the Pershing Securities International Limited group.

The aforementioned intermediaries have a best execution and order management handbook that is MiFID-compliant and compatible with TEAM's.