

Execution Policy  
(Best Execution Policy)

of

Syd Fund Management A/S

CVR No 21 27 40 03

regarding the entities managed:

- Investeringsforeningen Sydinvest (CVR No 24260534)
- Investeringsforeningen Sydinvest Portefølje (CVR No 36921862)
- Investeringsforeningen Strategi Invest (CVR No 33764650)
- Investeringsforeningen Finansco (CVR No 34208379)

and

- Værdipapirfonden Sydinvest (CVR No 21274003)
- Værdipapirfonden Frøs (CVR No 21274003)

and

- Kapitalforeningen TDC Pension Emerging Markets (CVR No 37251720)

## 1 Object and statutory basis

The object of this execution policy is to ensure that Syd Fund Management A/S acts in the interest of the entities managed when in the course of the company's management of the entities' portfolios, it executes decisions on trading financial instruments.

Moreover the policy must ensure that Syd Fund Management A/S acts in the interest of the entities managed when in the course of the company's management, it transmits trade orders to other entities trading on behalf of the funds managed.

Statutory basis: Chapter 12 of Danish executive order no 865/2014 on the management, control and administration of Danish UCITS (the Danish executive order on management) and Articles 27-28 of Regulation 231/2013 (implementing AIFM regulation).

## 2 Best execution

To obtain the best possible results for the entities managed when executing trade orders (best execution) Syd Fund Management A/S takes into account factors that affect the total settlement amount, representing the price of the financial instrument and all expenses directly related to order execution. These factors constitute:

- Charges
- Costs
- Speed
- Likelihood of execution and settlement
- Scope
- Nature
- Settlement

The relative importance of these factors is determined according to the following criteria:

- Objective, investment strategy and risk profile of the fund
- Trade order characteristics
- Characteristics of instruments traded
- Characteristics of execution venues

Usually price and costs will be given precedence. Subsequently speed of order execution and likelihood of order execution will also be important.

In connection with large transactions or transactions in specific instruments importance may be attached to other factors.

## **3 Transmission of orders to third parties trading on behalf of the funds managed**

The choice of securities dealers to trade on behalf of the funds managed is based on the consideration of providing the best possibilities of obtaining best execution.

In practice the choice of securities dealers is made for classes of financial instruments in order to obtain the best trade overall. There may be instances where the best price is not achieved despite the fact that handling is in compliance with the principles of this policy. Appendix 1 is a list of securities dealers with which orders may be placed for each type of instrument. Appendix 1 may be amended by Syd Fund Management A/S without any impact on this policy.

The factors listed above constitute the primary criteria in the efforts to obtain the best possible result for the investment funds managed. The relative importance of these factors is determined according to the above.

If a fund wishes to buy an instrument which another fund wishes to sell, an internal transaction may be executed. In internal transactions the buyer's as well as the seller's transaction costs must be lower than in market transactions.

## **4 Documentation**

Syd Fund Management A/S must be able to document that orders have been executed and transmitted in compliance with this policy.

## **5 Publication**

Syd Fund Management A/S is required to make appropriate information available to investors regarding the execution policy and any amendments thereto. The policy is made available at the websites of the entities managed.

## **6 Follow-up**

Syd Fund Management A/S must regularly monitor whether this policy and the company's procedures for executing and transmitting orders are working effectively, as intended and in accordance with the Danish executive order on management so that any deficiencies and weaknesses may be corrected.

Following significant changes and at least once a year the company is required to assess whether this policy continues to ensure that the funds managed obtain the best possible result.

The Board of Directors of Syd Fund Management, Aabenraa, 23 August 2018.

Michael Andersen, Chairman  
Karin Sønderbæk, Vice-Chairman  
Steffen Ussing  
Hans Lindum Møller  
Christian Anker Hansen, Investor Representative

***This document has been approved by digital signature by the Board of Directors of Syd Fund Management A/S, which appears from the last page of the Danish version of the document. The page with digital signatures has no page number.***

Appendix 1 – valid from 1 August 2018

List of securities dealers for which orders may be placed for each type of instrument:

Type of instrument	Securities dealer
Danish bonds	Sydbank
	Nordea Bank Danmark
	Danske Bank
	Lind Capital
	Nykredit Bank

Type of instrument	Securities dealer
Foreign bonds	Banco Santander
	Barclays
	BNP Capital Markets
	Cantor Fitzgerald
	Citigroup
	Commerzbank
	Credit Suisse
	Danske Bank
	Deutsche Bank
	DZ Bank
	Enskilda Banken
	Exotix
	GMP Securities
	Goldman Sachs
	Guggenheim Capital Markets
	HSBC Bank
	Icap Ltd
	ING Financial Markets
	Jefferies International
	JP Morgan
	Jyske Bank
	Merrill Lynch
	Miller Tabak Roberts
	Mitsubishi UFJ Trust Bank
	Morgan Stanley
	Nomura
	Nordea Bank Danmark
	Nykredit Bank
	Royal Bank of Canada
	Royal Bank of Scotland
SNS Securities	
Société Generale	
Standard Bank	
Stiefel Nicolaus	
Swedbank	
Sydbank	
UBS	

	Unicredit
	VTB Capital
<b>Type of instrument</b>	<b>Securities dealer</b>
Developed market equities	BCS Prime Brokerage Ltd
	Credit Suisse
	Danske Bank
	Deutsche Bank
	Enskilda Banken
	Goldman Sachs
	HSBC Bank
	Jeffries
	JP Morgan
	Jyske Bank
	Merrill Lynch
	Morgan Stanley
	Nomura
	Nordea Bank Danmark
	Pareto Securities
	Renaissance Capital
	Royal Bank of Scotland
	Sanford Bernstein
	Société Generale
	Standard Bank
	Sydbank
	Unicredit

<b>Type of instrument</b>	<b>Securities dealer</b>
Emerging Market equities	Atonline Ltd
	Batlivala & Karani Sec
	China International Capital Corp.
	Citigroup
	CLSA
	Credit Suisse
	Deutsche Bank
	Exotix
	Financial Hermes (EFG)
	HSBC Bank
	Instinet
	Itau Securities
	JP Morgan
	Kim Eng / Maybank
	Maquire
	Merrill Lynch
	Morgan Stanley
	Nomura
	Renaissance Capital
	Royal Bank of Scotland
	Sanford Bernstein

	SBERBANK
	South China Securities
	Standard Bank
	Sydbank
	UBS
	Union Overseas Bank
	Yuanta Sec, Hong Kong

<b>Type of instrument</b>	<b>Securities dealer</b>
Foreign funds	Euroclear Bank (FundSettle), Bruxelles
	Blackrock Luxembourg
	DNB Bank, Oslo
	Fidelity Luxembourg
	J.P. Morgan Chase Bank, London
	Nordea Bank Luxembourg
	UBS, Zurich

<b>Type of instrument</b>	<b>Dealer</b>
Derivatives	Sydbank