I. BEST EXECUTION POLICY

Amundi Luxembourg S.A. is authorised as management company (hereinafter referred as either the “Management Company” or “Amundi Luxembourg”) pursuant to Chapter 15 of the Law dated 17 December 2010 relating to undertakings for collective investments.

Amundi Luxembourg is also authorised as an alternative investment fund manager (“AIFM”) pursuant to Chapter 2 of the Law dated 12 July 2013 relating to alternative investment fund managers.

This policy relates to the execution of decisions to deal and placing orders. Amundi Luxembourg has delegated the investment management activity to duly appointed investment managers (hereinafter referred respectively as “Delegates”) which comply with best execution requirements.

II. REGULATORY FRAMEWORK

Article 25 of the Commission Directive 2010/43/EU foresee an obligation for management companies to act in the best interest of the Funds (and, accordingly, of their investors) when:

- executing decisions to deal on behalf of the UCITS in the context of the management of their portfolios.
- placing orders to deal on behalf of the managed UCITS with other entities for execution, in the context of the management of their portfolios.

Article 27 of the Commission Delegated Regulation (EU) N. 231/2013 (“Delegated Regulation”) foresee for alternative investment managers to take all reasonable steps to obtain the best possible result for the AIFs they manage or their investors, whenever an alternative investment fund manager buy or sell financial instruments or other assets for which best execution is relevant. Pursuant to CSSF Regulation 10-4 as well as the Delegated Regulation, Amundi Luxembourg is required to establish, implement and maintain an effective Best Execution policy (hereinafter referred as the “Policy”).

Amundi Luxembourg S.A. do not execute orders itself, neither does it transmit orders for execution. All this activity is delegated to the appointed investment managers or sub-advisor as the case may be (“Delegates”) - which will determine how orders will be placed or executed. Pursuant to CSSF Circular 18/698 (s. 417), the implementation and the monitoring of a best execution policy may not be delegated.

The Policy outlines the duties placed on the respective appointed Investment Manager in compliance with the regulatory requirements relating to best execution. This policy seeks to ensure that client interests are paramount and that Amundi Luxembourg satisfies its legal and regulatory obligations when trades are executed by the Investment Managers.

The Policy may be updated from time to time in order to reflect developments affecting business or internal organisation or changes to applicable regulatory rules and guidance.

III. Best Interest

In order to act in the best interest of the Funds, their investors and the integrity of the market, Amundi Luxembourg and its Delegates strive to ensure that:

- a) neither the Fund, nor its investors are charged undue costs;
b) all reasonable measures are taken to obtain, or ensure to obtain, the best possible result for the Funds and its investors taking into account the following factors:

- price,
- costs,
- speed of order execution,
- likelihood of order execution and settlement,
- order size,
- nature of financial instruments or assets, or
- any other consideration relevant to the execution of the order.

In seeking best execution Delegates must take all reasonable steps to obtain the best possible results for the funds taking into account the above factors. In determining the relevant importance of each of the above factors, the Investment Manager will take into account the following best execution criteria:

- the objectives, investment policy and risks specific to the managed funds;
- management regulations or articles of association, prospectus or offering documents of the funds;
- the characteristics of the order;
- the characteristics of the financial instruments or other assets that are the subject of that order;
- the characteristics of the execution venues to which that order can be directed.

Amundi Luxembourg considers that financial instruments traded on one or more regulated markets are traded at the best price on a specific regulated market where the liquidity of the instrument in question is the best and/or the likelihood of execution is the highest.

Since Amundi Luxembourg (or, as the case may be, its Delegates) is however not itself connected to any regulated market, it may perform orders through a third party acting as trading counterparty/intermediary (e.g. a broker) to achieve best execution. In light of this, Amundi Luxembourg (or, as the case may be, its Delegates) shall normally appoint brokers who have access to, the most liquid regulated markets and who have the greatest potential to execute the order. In this respect, Delegates may trade on the market which provides greater dealing opportunities or the better price.

IV. Order Execution policy

Execution venues

An execution venue is a regulated market, a multilateral trading facility, a systematic internaliser, a market maker or another liquidity provider or an entity that performs in a non-EEA country a function which is similar to the functions performed by any of the foregoing.

Delegates maintain policies for identifying each class of instrument, and the entities with which orders may be placed. Arrangements are only permissible when they are consistent with the obligations detailed above.

The Management Company or, as the case may be, its Delegate shall determine the ultimate execution venue/entity for the managed funds order on the basis of the order execution factors as described above.
The Management Company or, as the case may be, its Delegate shall assess which venues are likely to provide the best possible result for the managed funds and its investors on an order-by-order basis, and be in a position to report to Amundi Luxembourg the relevant fund with a list of approved execution venues upon request.

V. Handling of orders

The Management Company or, as the case may be, its Delegate has established procedures and arrangements to:

- Ensure that orders executed on behalf of Funds are promptly and accurately recorded and allocated;
- Ensure orders are executed sequentially unless prevailing market conditions make this impracticable or the interests of the Funds require otherwise;
- Ensure financial instruments/sums of money received in settlement of the executed orders shall be promptly and correctly delivered to the appropriate account;
- Ensure that there will not be a misuse of information relating to pending orders, and take all reasonable steps to prevent the misuse of information.

Delegates shall ensure the fair allocation of aggregated orders, including how the volume and price of orders determine allocations and the treatment of partial executions. In so doing, the Delegate shall consider the following factors:

- Unlikelihood that the aggregation will negatively impact or generate disadvantage for the Fund;
- In case of aggregation or partially execution, related trades shall be allocated pursuant to the order allocation policy; Delegates will execute and place orders diligently, efficiently and fairly;
- Where Delegates aggregate an order of a fund with a client orders it must not allocate trades in a way that is detrimental to the Funds;

VI. Monitoring and review

The Management Company will monitor, on a regular basis, the effectiveness of the policy. Delegates will be required to submit to the Management Company periodic reports, which shall include inter alia indicators of execution oversight to ensure compliance with the Policy.

The Policy will be reviewed on an annual basis.