



Best Execution Policy

Lightrock
Netherlands B.V.

March 2024

DOCUMENT HISTORY AND APPROVAL

Version	Date	Author	Approved by	Comments
1.0	30 November 2023	Maarten Vankan	Management Board	
1.1	March 2024	Maarten Vankan	Management Board	Revisions following engagement NTGS as agency broker

CONTENTS

1. INTRODUCTION.....	4
2. SCOPE.....	4
3. DEFINITIONS AND TERMS.....	4
4. BEST EXECUTION.....	5
4.1. Introduction.....	5
4.2. Broker Selection.....	5
4.3. Listed equity.....	6
4.4. Foreign exchange.....	7
4.5. Liquidity funds.....	8
4.6. Trading on and outside of trading venues.....	8
5. RESPONSIBILITY.....	8
6. POLICY EVALUATION.....	8

1. Introduction

Lightrock Netherlands B.V. ("Lightrock NL") is a Management Company ("ManCo") of UCITS investment funds and provider of Individual Portfolio Management-services ("IPM-services"). With regard to this Lightrock NL transmits orders in financial instruments to brokers for execution. According to article 25 and 26 of the UCITS Delegated Directive 2010/43 and article 65 of the MiFID Delegated Regulation 2017/565, Lightrock NL must have policies in place in order to achieve the best possible result for the investment fund and the clients respectively when an order is being transmitted to a broker for execution. This Policy sets out how Lightrock NL complies with the aforementioned requirements.

2. Scope

For Lightrock NL, best execution under UCITSD and MiFID II applies to all its investment funds and IPM-services and covers all relevant financial instruments, including spot FX transactions ancillary to equity transactions. Due to the nature of Lightrock NL's investment strategy and the portfolios it manages, these financial instruments will almost always be limited to listed equities, FX transactions and liquidity funds.

3. Definitions and terms

AFM	The Netherlands Authority for the Financial Markets, the Dutch regulator for supervision of UCITS managers.
UCITSD	Undertakings for Collective Investments in Transferable Securities Directive, an EU Directive (2009/65) and subsequent amendments, with regard UCITS investment funds and its Management Companies.
Best execution	Achieving the best possible result for clients when executing their orders in financial instruments via execution venues or OTC.
Delegated Directive 2010/43	The UCITS Delegated Directive (2010/43) specifying certain organisational requirements for the Management Company of UCITS.
Commission Delegated Regulation 2017/565	The EU Delegated Regulation (2017/565) specifying certain rules of MiFID II.

Financial instrument	A financial instrument as defined in article 1:1 of the Dutch Act on Financial Supervision (Wft).
MiFID II	Markets in Financial Instruments Directive, EU Directive (2014/65) with regard to the provision of investment services.
Board	The Management Board of Lightrock NL
Clients	Professional investors to which Lightrock NL provides Individual Portfolio Management services (IPM services)

4. Best Execution

4.1 Introduction

The best execution obligations relate to all types of financial instruments (e.g. equity, bonds, derivatives) and to all execution venues (e.g. regulated market (exchange), an MTF, an OTF, a systematic internaliser, a market maker or other liquidity provider).

The main requirement with regard to the execution of orders in financial instruments on behalf of clients, the (investment) firm must take adequate measures to achieve the best possible result for them, taking into account a number of factors. This concerns the price of the financial instruments, the execution costs, the speed, the probability of execution and settlement, the size, the nature and all other aspects relevant to the execution of the order. Executing firms must have adequate policies and procedures in place to guarantee best execution.

Although Lightrock NL, acting as a ManCo of UCITS funds and provider of IPM-services, doesn't execute orders in financial instruments itself, it must ensure that the brokers to whom orders in financial instruments are transmitted, comply with the best execution requirements. In this Policy is described how Lightrock NL complies with this requirement.

This Policy is made available to investors via the website of Lightrock NL.

4.2 Broker Selection

Before engaging with a broker to which orders are sent for execution, a due diligence takes place by the Investment Team of Lightrock NL of the broker concerned. In the due diligence Lightrock NL establishes that the broker has order execution policies that meet statutory requirements and ensure that the execution of orders through the broker complies with Lightrock NL's Best

Execution Policy and sufficiently considers the factors outlined therein. Where the broker, as an agency broker, makes use of affiliated entities or in certain circumstances of third parties for the execution of orders, the Best Execution Policy of the broker needs to safeguard that best execution is safeguarded in those circumstances.

Further Lightrock NL requests the broker's most recent annual accounts and proof of the license granted by the national supervisory authority.

The outcome of the due diligence on the Broker is discussed in the Investment Committee and if the conclusion is positive, the engagement of the broker is submitted for approval to the Board. After approval by the Board the broker is included in the "Approved Brokers list" (see Annex 1 to this Policy).

Only brokers that are included in the "Approved Broker List" are eligible to be used.

Currently Northern Trust Global Securities SE (NTGS) has been selected as agency broker.

NTGS acts as agent for Lightrock and will transmit the orders that Lightrock from time-to-time gives, to its UK investment firm affiliate, Northern Trust Securities LLP (NTS LLP), who will then apply the Best Execution Policy applicable and its own execution arrangements to bring about all necessary transactions on our behalf. The most recent version of the Order Execution Policy applicable to NTGS and NTS LLP can be found here:

<https://www.northerntrust.com/documents/legal/mifid/nt-order-execution-policy.pdf>

Annually the performance of the broker used in the previous year is reviewed. This reviewed is performed by the Investment Team of Lightrock NL under the responsibility of the CIO. The outcome of the review is discussed in the Investment Committee and the Board.

4.3 Listed equity

Lightrock NL, when transmitting equity orders for execution, will consider price, costs (including market impact), speed, likelihood of execution and settlement, size, nature or any other relevant consideration whilst taking all sufficient steps to consistently obtain the best possible result for its clients. Of these factors, price, market impact, cost and the speed of order execution confirmation (to reduce the lag between the equity and a subsequent FX transactions, where necessary), in that order, are most important to Lightrock NL.

Before a trade is executed, a pre-trade analysis is performed, on a regular basis followed by post-trade analysis. The purpose of these analyses is to obtain information to be able to ensure better order execution and evaluation

afterwards. In this process, where possible, Lightrock NL relies on the execution and analysis capabilities of its agency broker, including the selection of venues, where necessary supplemented with relevant instructions to the broker, to achieve the objectives of the trades as conceived by its investment team, within any operational constraints.

The Bloomberg (AIM) dealing system is the platform employed by Lightrock NL for trade order management of all equity transactions. All orders for client and fund portfolios are promptly and accurately recorded and allocated on the AIM platform, and details of executed trades are maintained for 5 years.

Equity orders are transmitted to the agency broker electronically directly via Lightrock NL's order management system.

To ensure that the execution brokers comply with their best execution obligations, Lightrock NL reviews the extent to which best execution has been obtained on a regular basis, but at least annually. In addition, Lightrock NL reviews the best execution policies of the brokers it uses at least annually.

The agency broker is required to be able to demonstrate to Lightrock that they have executed the orders of Lightrock in accordance with its Order Execution Policy. The agency broker needs to produce transaction cost analysis (TCA) reports that test the execution of client orders using a range of industry standard execution performance metrics, such as the measurement of the average execution price for orders using implementation shortfall against Arrival, VWAP and Close; and, the analysis of the distribution and performance of the brokers and venues used to execute the order. Lightrock-specific reports presenting the findings in relation to the orders are to be made available by the agency broker upon request.

4.4 Foreign exchange

Foreign exchange transactions executed on behalf of Lightrock NL's investment funds and clients are generally forward transactions that match the settlement date of the corresponding equity trade. Since these transactions are related to equity transactions, they are subject to the UCITS and MiFID II best execution obligation.

All foreign exchange transactions related to equity settlements are executed by the Custodian FX of the UCITS fund, The Northern Trust Company, on a principle basis, and as such, without the obligation for The Northern Trust Company to obtain best execution. In case of IPM customers, execution will be done by the Custodian FX of these customers. These transactions are executed either on regular foreign exchange market platforms, or crossed internally against comparable prices. Where possible, foreign exchange orders will be crossed, without any spread, with other orders on behalf of investment funds or clients in

opposite directions. For other transactions, Northern Trust uses as an hourly, published market price to which it applies a fixed commission.

Lightrock NL reviews its foreign exchange arrangement with The Northern Trust Company at least annually. Lightrock NL obtains periodical reporting from The Northern Trust Company which it combines with its own analysis, and those of external, independent advisers to monitor best execution of foreign exchange transactions.

4.5 Liquidity funds

Depending on interest rate levels, instead of keeping cash in bank accounts, cash can be invested in liquidity funds, also called short-term investment funds (STIF). Purchase and sales transactions are governed by the conditions as stated in the agreements with the respective custodian(s) and in the prospectus of these funds. On at least an annual basis, Lightrock NL reviews the appropriateness of the use of these funds and the conditions by which the investment in these funds are governed.

4.6 Trading on and outside of trading venues

Lightrock NL orders may be executed both on and outside of trading venues, e.g., via systematic internalisers.

5. Responsibility

The CIO has the overall responsibility for the implementation of this Policy. The Compliance Officer is responsible for periodically monitoring compliance with these procedures and evaluating resolutions.

6. Policy Evaluation

Lightrock NL periodically, but at least once a year, evaluates the Policy. This falls within the responsibilities of the CIO, in consultation with the Compliance Officer. The evaluation concerns the effectiveness of the Policy and the compliance of the Policy with all applicable laws and regulations. This Policy is, after being discussed in the Investment Committee, adjusted where necessary on the basis of the periodic evaluation and approved by the Board.

Annex 1: Approved Broker list

Type of financial instruments	Broker name/ address
US stocks	Northern Trust Global Services SE, 10, rue du Château d'Eau L-3364 Leudelange Luxembourg
European stocks	Northern Trust Global Services SE, 10, rue du Château d'Eau L-3364 Leudelange Luxembourg
APAC stocks	Northern Trust Global Services SE, 10, rue du Château d'Eau L-3364 Leudelange Luxembourg