



Zencap
Asset Management

UNE MARQUE



Ofi invest



Best selection policy

Zencap AM

May 6th 2025

1. Context and scope

Pursuant to Articles 27 and 28 of Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 and Article L.533-22-2-2 of the monetary and financial Code, Zencap AM has an obligation as an AIF management company to act in the best interests of the AIFs it manages and their investors and must therefore take all sufficient measures to obtain the best possible result when it places trading orders with other entities for execution.

In general, Zencap AM places orders with authorised brokers or counterparties for execution. The purpose of this "best selection" policy is to present the practices adopted by Zencap AM for the selection of intermediaries.

1.1. Financial instruments

This policy applies to capital market products (as opposed to "private debt" products). For unlisted securities, the best selection principle cannot be applied since there is no order to be placed with authorised brokers or counterparties for execution.

The financial instruments concerned are therefore:

- Debt securities (notes issued by an SPV, credit linked notes, bonds excluding private debt)
- Units or shares of French or foreign UCIs, or bonds of French securitisation bodies
- Credit derivatives (single name CDS or iTraxx), or other derivatives for hedging purposes

Zencap AM reserves the right to use other execution venues when deemed appropriate.

1.2. Intermediaries

Zencap AM is not a market member and transmits all orders to intermediaries for execution. It is authorised to intervene:

- On regulated markets
- On organised markets that operate regularly (e.g., Euronext Access, Euronext Growth)
- On multilateral trading facilities
- On systematic internalisers

Only counterparties "disqualified" by Zencap AM's Assessment Committee are systematically rejected.

Any other market counterparty is likely to be used by Zencap AM if it enables the best possible execution result to be obtained. Trading information by counterparty (volumes traded, number of purchases/sales made, etc.) is regularly produced by the management team.

2. Selection criteria

The main criteria used to obtain best execution are as follows; each criterion is of potential equal importance to Zencap AM:

- The price offered in relation to the available liquidity
- The quality of the execution
- The primary issue/new project offer
- The quality of the information disseminated
- The quality of administrative processing (sending confirmations, quality of the middle and back office, correct settlement of transactions, etc.)
- The quality of the coverage
- The quality of the valuation process (time taken to produce valuations, relevance of valuations, support to produce these valuations, communication with the dedicated departments, etc.)

The assessment elements of the "quality of execution" criterion are as follows:

1. Speed of execution:
 - Electronic/platform vs. voice/hand
 - Communication channel: voice / chat room (traders included/excluded) / email or other
2. Price "definition":
 - Firm / soft (time to make it firm / executable)
 - Precise price (e.g., 100.12) vs range (100a, L100H, L100s etc)
3. Information available / ease of execution
 - Have information early
 - Knowing if you are in competition or not (if the counterparty can act as principal, if there are several people "watching the trade" etc)
 - Possibility to soft/hard circulate the position
 - Possibility/obligation to work in switch
 - Presence of guidance (more or less precise) in the BWIC / primary
 - In primary: information on the state of the book, the maximum size of the issue, the presence of protected orders, etc.
4. Size/limits of the trading book
 - Number and "richness" / interest of bids / stock
 - Capacity to bider in primary

3. Assessment of the intermediaries

3.1. Assessment methods

The operational departments (management teams) carry out an analysis based on these criteria and any other source of information at their disposal.

The Assessment Committee ("Comité d'Evaluation") examines the various analyses prepared by management teams and the operational feedback from the middle office, in direct and continuous contact with the intermediaries. This may result in the disqualification by the Assessment Committee of certain counterparties. Their list is kept up to date by the Risk Management team.

The Assessment Committee is made up of the following members:

- At least one asset manager from Zencap AM
- At least one person from the Risk Management team
- At least one member of Zencap AM's Management body (general partner) (who may be the same person as the manager of Zencap AM)
- At least one representative of the Middle Office

The purpose of the Assessment Committee is to update the list of "disqualified" counterparties, to update this policy if necessary and to decide on the annual evaluation of the counterparties used.

No transactions will be carried out with disqualified counterparties unless expressly authorised by a responsible officer of the company and advised by the Compliance officer (RCCI).

3.2. Frequency

The policy will be updated as necessary and reviewed at least once a year.

The Assessment Committee meets as often as necessary and at least once a year.

4. Control arrangements

The Compliance and Internal Control Officer carries out sample checks to ensure compliance with the best selection principles and reviews the procedure, at least annually.



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