

## BEST EXECUTION POLICY

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Classification	Confidential
Audience	All employees and Management
Ownership	Head of Legal and Compliance

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0.01	March 2025	Christophe Pilz	Initial Document
0.02	March 2026	Quentin Werlé	Annual review

### Document Circulation

This document will be made available on the Firm's One Drive for the defined audience as soon as the document will be approved and finalized. Copies are not controlled.

### Review Cycle

This document shall be reviewed on a yearly basis at least or when required by major changes in the organization (internal governance framework) and operational processes of the Company.

Review Cycle	Approval Date by Executive Committee	Approval Date by Board of Managers
<b>Initial Document</b>	March 19, 2025	March 24, 2025
<b>Annual Review</b>	March 13, 2026	March 24, 2026

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## 1. BACKGROUND

6 Monks (6M) (the “**Company**”, “**6M**” or “**we**”), is a Luxembourg private limited liability company (*société à responsabilité limitée*), having its registered seat at 1A, Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B 259714.

6M is a regulated third-party management company for Undertakings for Collective Investments (“**UCI**”). 6M acts as Alternative Investment Fund Manager (“**AIFM**”) offering independent fund management services for Alternative Investment Funds (“**AIF**”).

In accordance with Article 12(1)(a) of the Alternative Investment Fund Managers Directive (“**AIFMD**”) and CSSF Circular 18/698, the Company has set up this Best Execution Policy (“the **Policy**”) with the aim to formalize the Company's commitment to achieving best execution when executing and transmitting orders for the portfolios it manages.

The present Policy must be approved by the executive committee (the “**Executive Committee**”) and the board of managers (the “**Board of Managers**”), be available to the Company's employees

## 2. SCOPE OF THE POLICY

6M manages AIF investing in Private Equity and Crypto Assets. The Company takes all reasonable steps to secure the best possible outcomes for its managed portfolios, considering factors such as price, cost, execution speed, order size, and other relevant factors. This duty, known as “best execution,” is formalized within this Policy.

In the case of Private Equity transactions, best execution requirements are not applicable in the same way as for financial instruments traded in liquid markets. These transactions involve negotiated deals, where terms are determined through bilateral discussions rather than market competition. The Company must negotiate terms that are in the best interest of the investors, ensuring fair and transparent dealings. 6M's focus here is on rigorous due diligence and fair negotiations that serve investors' best interests. However, given that best execution principles do not apply directly to such negotiated transactions, private equity will not be covered in this policy.

Best Execution requirements apply to financial instruments under MiFID II (Directive 2014/65/EU). Since Crypto Assets are not financial instruments, the direct obligations for Best Execution do not apply to AIF investing in Crypto Asset. However, the Company decided to apply best execution principles to these assets. Best execution is traditionally designed for instruments traded in liquid markets, where there is an opportunity to compare prices, liquidity, and other factors across venues. For crypto assets or derivatives on them, which are often traded on exchanges, this policy ensures that the Company achieves the best possible result for investors, considering factors such as price, speed, and liquidity available through exchanges or venues where these assets are traded.

If any other instruments in the portfolio of the AIFs under management qualify as financial instruments under MiFID II, the general principle of best execution, as detailed in this policy, shall apply.

### 3. PORTFOLIO MANAGEMENT AND DELEGATION

6M may delegate or directly manage portfolio management functions, depending on the AIF's investment strategy. This Policy applies whether the Company or its delegates execute orders on behalf of the funds.

When portfolio management function is delegated, the external portfolio manager is responsible for adhering to best execution principles. However, 6M retains oversight and regularly reviews the delegate's adherence to this Policy as detailed in section 9. 6M remains ultimately responsible for ensuring best execution, even when the function is delegated.

### 4. TIMELY EXECUTION AND LATE TRADING

6M may delegate or directly administrate the AIFs under management as a UCIA (Undertaking Collective Investment Administrator). When 6M also performs transfer agent duties, the Company has to deal with investors transactions namely subscription and redemption. In this context, orders must be executed promptly and in the order they are received, unless specific circumstances require otherwise.

To prevent any prejudicial impact on investors from Late Trading and Market Timing practices, 6M adheres to the strict rules outlined in CSSF Circular 04/146 to safeguard the interests of its AIFs and their investors.

- **Late Trading** refers to the practice of accepting and processing subscription or redemption orders after the official cut-off time while applying the same day's net asset value (NAV), which is prohibited under Luxembourg regulations.
- **Market Timing** involves the practice of making frequent, short-term transactions to exploit inefficiencies in fund valuation, such as time-zone differences, potentially to the detriment of long-term investors.

Please also refer to the UCIA Policy for more information on the controls performed on cut-off time monitoring and transaction scrutiny.

### 5. BEST EXECUTION PRINCIPLES

The Company's best execution obligations are based on the consideration of various factors, including:

- **Price:** 6M should aim to secure the best possible price for the transaction, which is typically the most important factor for achieving best execution, especially in liquid markets.
- **Cost:** 6M should consider all relevant costs associated with the execution, including commissions, fees, and settlement costs, to ensure that the transaction minimizes overall cost for the client or fund.
- **Speed:** The speed of execution can be a crucial factor, particularly in volatile markets. Ensuring that an order is executed quickly can have a significant impact on the quality of the execution.
- **Likelihood:** 6M must assess the probability that the transaction will be successfully executed and settled. This includes evaluating the liquidity of the asset and the reliability of the counterparty.
- **Size:** The size of the order must be taken into account to avoid market impact, particularly for large trades, where executing a large order could affect the price. 6M must balance the size of the trade with the need to minimize market disruption.
- **Market Conditions and Liquidity:** 6M should assess current market conditions and liquidity, as these can have a direct impact on how the execution is handled. For less liquid markets, ensuring

an order can be executed efficiently might require prioritizing liquidity over speed or price.

While price is usually the most significant factor, there are circumstances where other factors (such as speed or liquidity) take precedence, depending on the asset type, market conditions, or fund strategy. For instance, price and cost are often prioritized for highly liquid financial instruments, while likelihood of execution and speed might be more important for less liquid assets or in volatile market conditions.

## **6. EXCEPTIONS TO BEST EXECUTION PRINCIPLES**

In the event of system failures or extraordinary market conditions, 6M may deviate from standard best execution procedures but will still strive to achieve the best possible result under the circumstances.

## **7. EXECUTION PROCESS AND COUNTERPARTIES SELECTION**

6M selects execution counterparties based on rigorous criteria. For crypto assets, transactions are executed through regulated venues, such as crypto exchanges, prime brokers, and liquidity providers, that have undergone comprehensive due diligence based on factors such as financial stability, execution quality, and regulatory compliance.

The cost criteria is taken into account the cost of onboarding of any new venues in addition of the transaction cost associated with the table fees of the counterparty, including maintenance costs.

Funds under management also mandate secure custody service providers, that have been subjected to a comprehensive due diligence process to ensure the safety of crypto assets held in custody. These services are selected based on their ability to safeguard assets while meeting execution standards.

## **8. AGGREGATION AND ALLOCATION OF TRADING ORDERS**

6M may aggregate orders across AIFs to optimize execution, provided that no AIF or investor is disadvantaged. The allocation of aggregated orders is conducted fairly and based on size, price, and timing considerations. If aggregation negatively impacts an AIF, separate order handling will be adopted to protect investor interests.

Trades are executed, recorded, and allocated in a fair and prompt manner, following a “First In – First Out” approach unless market conditions necessitate otherwise.

## **9. CONTROLS ON EXTERNAL PORTFOLIO MANAGERS**

6M regularly monitors delegated portfolio management entities to ensure compliance with its best execution standards. This includes conducting due diligence through questionnaires and reviewing supporting documentation, such as the External Portfolio Managers’ Best Execution Policy and list of approved brokers.

Any new counterparties proposed by External Portfolio Managers must be reviewed and approved by 6M, which retains veto power. Additionally, External Portfolio Managers are required to assess their brokers annually and provide evaluation results to 6M for ongoing compliance oversight.

## **10. COMMUNICATION**

The Policy shall be made available on the Company's website and be communicated to fund promoter upon request.

## **11. POLICY OWNER AND DATE OF IMPLEMENTATION**

The Head of Legal and Compliance has been formally appointed as the owner of this Policy. Any amendment to this Policy may be made by the Legal and Compliance Function and Executive Committee and must be duly approved by the Board of Managers of the Company. The Policy must be updated on an annual basis at minimum and ad hoc upon trigger events, such as but not limited to, changes in applicable regulations.

## **12. APPROVAL**

This Policy has come into force by approval of the Executive Committee and adoption by the Board of Managers and has no signatures.