

Order execution policy - EMEA CE - 2023

1. OVERVIEW	1
2. ORDER PROCESS	4
3. BROKERS & VENUES	6
4. OPEN ENDED FUNDS (BOTH IN-HOUSE AND EXTERNALLY MANAGED FUNDS), TERM DEPOSITS ,FX SPOT TRADES	8
5. EQUITIES & EXCHANGE TRADED PRODUCTS	8
6. DEBT INSTRUMENTS – BONDS AND MONEY MARKET INSTRUMENTS (MMI)	11
7. DERIVATIVES	14
8. RTS 28 REPORTING	16
ANNEX 1: ADDENDUM FOR THE REAL ESTATE BRANCH OF INVESCO ASSET MANAGEMENT DEUTSCHLAND GMBH.	16
ANNEX II	18

1. Overview

A. Purpose

The purpose of the policy (the “Policy”) is to provide a high-level description of Order Placement and Order Execution for the non-UK entities within Invesco EMEA. The corresponding “Invesco EMEA CE entities” are defined in the Policy as:

- Invesco Asset Management Deutschland GmbH (including Invesco Real Estate in Munich & the Austrian branch of Invesco Asset Management Deutschland GmbH in Vienna) (IAMD) – MiFID Firm
- Invesco Management S.A. (IMSA), including its branches – UCITS Management Company and Alternative Investment Fund Manager (AIFM) which also has the regulatory permission to perform management of portfolios of investments on a discretionary and individual basis (DPM)

Investment teams in the EMEA CE region are based in IAMD (hereafter referred to as the “Investment Teams”). The Investment Teams instruct orders on behalf of client portfolios in the form of segregated mandates and pooled funds. The Policy outlines information relevant to asset classes included in the investment strategies of the Investment Teams.

IMSA has delegated the investment management activity of its funds and segregated mandates to duly appointed investment managers which are all part



of the Invesco group of companies and some of which fall outside of the EMEA CE region. As such, IMSA does not execute orders itself, neither does it transmit orders for execution. This activity is delegated to the appointed investment managers which will determine how orders will be placed and executed. The Policy outlines the duties placed on the respective appointed investment manager in compliance with the regulatory requirements relating to best execution. It follows that for the purpose of this Policy, the definition of "Investment Teams" will also apply in relation to these delegated investment managers.

B. Regulatory Context

This Policy is drafted in accordance with the local regulatory requirements of Invesco's EMEA CE entities, which includes the non-exhaustive list below:

- Directive 2014/65/EU - European Union's Markets in Financial Instruments Directive II ("MiFID II")
- Directive 2009/65/CE - Undertakings Collective Investment in Transferable Securities (UCITS)
- Directive 2011/61/EU - Alternative Investment Fund Managers Directive (AIFMD)
- European Market Infrastructure Regulation (EMIR)
- Markets in Financial Instruments Regulation (MiFIR)
- Securities Trading Act (WpHG), regulated by the German Regulator (BaFin)
- German Investment Code (KAGB) issued by the German Federal Parliament
- Law of 17 December 2010 Relating to undertakings for collective investment Law of 12

July 2013 on Alternative Investment Fund Managers

- Commission de Surveillance du Secteur Financier (CSSF) Regulation N° 10/04
- Commission de Surveillance du Secteur Financier (CSSF) Circular 18/698

C. Scope & EMEA ex-UK Delegation

The scope of this Policy encompasses the full range of instruments traded by segregated and pooled accounts managed by Invesco's EMEA CE entities. The corresponding fund types in scope include UK Retail ICVC'S, Luxembourg UCITS (the SICAV), Luxembourg Alternative Investment Funds (AIFs), Segregated Institutional accounts, ETF's and other mutual funds.

To expand, any order placed by the Investment Teams would fall under scope of this Policy.

The Investment Teams are responsible for order placement; the execution of such orders is delegated to the UK entity Invesco Asset Management Ltd (IAML) and Invesco Advisors Inc (IAI). The exceptions to this rule are:

-in the case of China A Class Shares, which are separated before order execution by IAML and diverted to the trading desk in Hong Kong

-instruments which are placed by the local Front Office Operations Team, as highlighted in Section 4 and

-whenever IMSA delegates investment management to Invesco nonEU (excluding the UK) entities and the execution of orders is not performed by IAML/IAI.

Furthermore, local portfolio management teams may request, as part of this delegation, that trades (either for single names, baskets or all trades) prioritise certain factors in order to best serve the client. If the portfolio manager does not highlight the factors to prioritize, the



trading team will use their judgement based on the factors, instruments and current markets. Section 4 provides examples of factor prioritization based on asset class.

Whilst the IAML trading desks will operate in accordance with their own local order execution policies, local rules of the managing business entity also need to be adhered to. In this context, it is the role of the managing entity to highlight to IAML any instances of additional requirements from local regulators which need to be fulfilled. In this manner, IAML complies with non-UK regulatory obligations.

Additionally, where accounts are contracted with EMEA CE entities and trading operations are conducted outside of Europe, the alignments of best execution factors and oversight is required.

To provide an example, a cross border product contracted with IMSA and traded by the UK trading team would follow the UK order execution policy (IAML). Nevertheless, it is essential that the local regulations of the portfolio's contracting entity are also upheld, as such the regulations stipulated in this Policy are also binding. Invesco's trading teams review order execution policies to ensure the synchronicity of trading standards & local regulations.

Similarly, whilst the EMEA CE entities have an overarching regulatory requirement on best execution on behalf of our client's accounts, the reliance is placed on IAML to execute orders with the same level of fiduciary responsibility. Included within this context is the discretion of IAML to delegate trading activities to other Invesco trading desks, for example those in the United States of America, Canada, Hong Kong, Japan and Australia). Local oversight is therefore conducted from an EMEA CE perspective regarding execution quality.

This Policy is produced and maintained by IAMD.

D. Asset Classes pertaining to Order Execution

Invesco Investment teams invests in a wide range of financial instruments as part of the investment management services provided. The Policy outlines the process for such instruments and has grouped them into the following asset classes:

- Open Ended Funds (both in-house and externally managed funds) ,Term Deposits ,FX Spot Trades
- Equities and Exchange traded products
- Fixed Income
- Collective Investment Vehicles OTC Derivatives and Exchange Traded Derivatives

For IMSA the following additional Asset Classes could also apply (notably for its UCITS and AIFs)

- Cash and FX
- Bank Loans
- And any other applicable instrument

This list is subject to the yearly policy review and in accordance with the Investment Teams' strategies.

E. Delegated arrangements

IAML may in certain circumstances, and at its discretion, delegate trading activities to other investment professionals within the Invesco group (including trading desks located in the United States of America, Canada, Hong Kong, Japan and Australia). This allows IAML to leverage off the local trading expertise in those regions in its pursuit of the best possible result for Clients. In such circumstances, best execution will be subject to the rules of the regulator in that jurisdiction and the trading desks will operate in accordance with their own local trade execution policies. Invesco affiliates have harmonized procedures that seek to obtain best execution on each security transaction undertaken on behalf of Clients and shared best



execution processes to monitor execution quality.

2. Order Process

A. Order Process and Management

The order process includes steps from order initiation through to order execution and post order execution monitoring that enable IAML to take all sufficient steps in delivering Best Execution for its Clients and to monitor that execution to ensure continued compliance. highlights the steps taken to achieve the delivery of the best possible execution for our clients. Additionally, this section encompasses the post order execution monitoring to ensure compliance with oversight obligations under MIFID II and the aforementioned 'regulatory context'.

B. Best Execution Factors

Drawing from the guidance provided by the regulators, the following Execution Factors must be considered and subsequently prioritised by the trading desks to achieve Best Execution. These include:

- i) Price;
- ii) Cost;
- iii) Speed of Execution;
- iv) Likelihood of Execution and Settlement;
- v) Size of the Order;
- vi) Nature of the Order; (i.e. new issues)
- vii) Any other consideration relevant to the execution of the order. Invesco may apply a method of "Total Consideration", which refers to a

combination of factors and means the price of the relevant financial instrument plus any costs that may be related to the execution of a client order. Such costs can include both implicit and explicit

costs related to the execution of that order (implicit costs are the negative price movements which may be caused by the market impact of the order's execution and explicit costs are those known prior to execution such as broker fees).

C. Prioritization of execution factors

The prioritization of the Execution factor will be determined by

- i) The investment intent of the portfolio manager who created the order;
- ii) The characteristics of the financial instrument subject to the order;
- iii) The characteristics of the execution venues where the order is directed. The determination of the prioritization of execution factors may be delegated to the trader by the Investment Teams. Where applicable, Invesco adheres to specific client instructions received regarding prioritization of factors. Where no such instructions are provided, Invesco's trading team will prioritize the execution factor which is considered to achieve Best Execution.

Invesco will prioritize the Execution factor with a view to generally prioritizing price or total consideration. However, any of the other Execution factor may be given greater priority over price if the trading desk is acting on specific instructions from the Client or where IAML believes there are circumstances where such prioritization will provide Best Execution. Price will remain an important consideration even if one of the other factors is given greater priority on a specific trade.

Warning: Specific instruction(s) provided by Clients regarding order execution may prevent Invesco from taking the steps in



this Policy to obtain Best Execution standards; nevertheless, Invesco would achieve best execution following the instructions within the client's parameters.

Note: Clients have the freedom to opt out of the execution policies and broker lists adopted by Invesco, however this may prevent Invesco from achieving the Best Execution as outlined in this Policy.

D. Order Aggregation & Allocation

The relevant trading desk will execute or place each Client Order on a sequential, prompt and fair basis unless the characteristics of the order or prevailing market conditions make this impracticable. Where several Client Orders are

placed with the trading desk for the same financial instrument, the trading desk will generally combine relevant Client Orders seeking to ensure it is in the overall best interests of affected Clients. Although aggregation is undertaken with a view to achieving the best possible result for all Clients, occasionally the effect of aggregation may work to Clients' disadvantage in relation to a particular order or orders. Orders placed on behalf of clients are executed in a sequential, prompt and fair manner unless characteristics of the order or prevailing market conditions make this impracticable.

Where several client's orders are placed with the trading desk for the same instrument in the same direction, the trading desk will generally combine client orders, provided the aggregation is in the best interests of clients.

E. Order Allocation

Allocations will be determined by the portfolio managers who create the orders proportionately based on the following factors at the time of allocation:

i) Client mandate restrictions;

- ii) Regulatory restrictions;
- iii) Certain market practices;
- iv) Investment objectives of Client mandates;
- v) Subscriptions and redemptions;
- vi) Cash positions;
- vii) Potential trading volumes (or liquidity);
- viii) Potential prices;
- ix) Known commitments

The overriding principle adhered to is that there is a fair allocation of investment opportunities to all Clients, albeit based upon the factors in this Section.

All trade allocations will be made before being passed to the relevant IAML trading desk(s) for execution. When a trade is not completed in full, the standard practice is for the trades, including prices, to be allocated on a prorated basis, based on the original allocation, unless a de minimis limit has been set by the trading desk or where lot size or other factors are more pertinent. Any reallocation rationale must be documented and recorded in line with prevailing reallocation procedures.

F. Cross Trading

Where client orders are placed for the same instrument in opposite directions, the buy and sell orders can be either fully or partially offset one another. Cross Trades are deemed beneficial to both clients as the spread on the trade is eliminated, provided a fair market price for the transaction is calculated.

With respect to institutional and retail fund, the eligibility of accounts to cross trade depends on the following non-exhaustive list:

- i) Client restrictions regarding cross trades defined in the Prospectus or Investment Guidelines



- ii) Conflicting regulatory restrictions of the 2 accounts engaging in Cross Trades.
- iii) The ability to determine a fair price beneficial to both clients for less liquid or volatile instruments
- iv) Operational constraints either internally (Invesco) or externally (custodians).

For accounts managed by IAMD, there is a formal approval process in place for executing cross trades.

Requests for Quotes/Solicit bids – For Fixed Income securities and derivatives, multiple counterparties are asked for risk quotes (commonly known as RFQ's) to evidence market prices.

Review on-screen pricing:

For some instruments, traders will review on-screen pricing to decide where to route electronic orders.

G. Commissions arising from Order Generation

All trades on behalf of Invesco's EMEA CE entities do not incur soft dollar commissions for payment to brokerage firms.

3. Brokers & Venues

The selection of the broker or venue to place or execute the order is at the discretion of the IAML trading desk unless a Client Driven Broker restriction (taking into account the Execution Factor detailed above and assuming no client requirement limits Invesco's discretion) where "broker" means a counterparty acting as principal or intermediary, which could include an investment bank or a brokerage house.

A. Approved Counterparties & Counterparty Monitoring

Invesco maintains a list of approved counterparties (the "Approved Counterparty List" and the "Approved Counterparties"). This list is set out in the Annex. Criteria that determine inclusion of an entity on the approved counterparty list includes

- i) Competitiveness of commission rates or spreads;
- ii) Execution capabilities;
- iii) Creditworthiness;
- iv) Financial stability;
- v) Reputation;
- vi) Clearance and settlement capabilities.

A dedicated in-house committee maintains a list of approved counterparties for Invesco funds contracted with its EMEA entities. This in-house committee also is responsible for approving new counterparties, annually reviewing approved counterparties, monitoring counterparty exposures and ensuring oversight of counterparty risk. Risks which are not adequately managed are highlighted during committee meetings and to local Invesco boards.

B. Monitoring of Approved Counterparties

A dedicated in-house committee assumes overall responsibility for:

- i) Approving new counterparties and reviewing all Approved Counterparties at least annually based on received credit analysis and also taking into account results from broker engagement.
- ii) Monitoring counterparty exposures against Invesco internal and regulatory trigger limits.
- iii) Ensuring robust controls are in place to manage counterparty risk,



including ensuring appropriate legal documentation is in place.

iv) Escalating specific counterparty risks to relevant Invesco boards as well as providing update reports.

An Approved Counterparty's ability to achieve Best Execution is also monitored by IAML as part of its wider Best Execution monitoring process.

C. Venues

The execution of client orders may occur in the following locations:

- i) Regulated markets
- ii) Multilateral trading facilities (MTF)
- iii) Swap execution facility (SEF)
- iv) Organised trading facilities (OTF)
- v) Systematic Internaliser(SI)
- vi) Market Maker or other liquidity providers or an entity that performs a similar function in a third country (other liquidity providers)

vi) Market Maker or other liquidity providers

or an entity that performs a similar function in a third country (other liquidity providers)

Certain venues can be sub-categorised by the market into (a) "lit" venues or markets or (b) "dark" venues or markets (or "Dark Pools"). Dark Pools do not publish any pre-trade prices but lit markets do.

Our decision to use a trading venue is primarily based on their market coverage and liquidity.

Invesco undertakes an operational assessment that includes understanding:

- i) the venue's trading practices and procedures, including operational controls;.

ii) the nature of the other market participants;.

iii) the ability to limit or prohibit interaction with other market participants;

iv) information security; and

v) business continuity arrangements.

D. Remuneration, discounts and non-monetary benefits

IAML will not receive any remuneration, discount or nonmonetary benefits for routing client orders to a particular venue/ broker, which would infringe the regulatory requirements in relation to conflicts of interests or inducements.

IAML may route client order to affiliated companies who receive monetary and non- monetary benefits. Affiliated companies would only be used to execute client orders where this achieves Best Execution.

Note: An Approved Counterparty (to which a Client Order has been routed) may execute such order outside of a Regulated Market or MTF in order to provide Best Execution to Invesco. It is Invesco policy to obtain express consent from its Clients to execute orders outside a Regulated Market or MTF or OTF. Such consent is subject to any specific Client instructions in relation to the execution of their orders.

E. Matters beyond our control

Due to system failures or other reasons which are unavoidable or beyond Invesco's reasonable control, Invesco may from time to time handle orders in a manner that differs from the normal processes under the Policy. In the event of such an occurrence, Invesco will still endeavour to place, and/or execute orders on the best possible terms available in the relevant circumstances.

F. General

The Policy is subject to change. The execution arrangements will be reviewed regularly, and at least annually, as well as when IAML becomes aware that there is a material change in relevant external circumstances. A change to the execution arrangements may result in a change to the Policy. Any material change will be communicated to the Clients as soon as possible.

- i) The Policy supersedes any previous trade execution and order aggregation and allocation policies issued by IAML.
- ii) If you have any queries in relation to the Policy, then please contact the Compliance Department in writing at:

Invesco Asset Management
Deustchand

An d. Welle 5, 60322
Frankfurt am Main

4. Open Ended Funds (both in-house and externally managed funds), Term Deposits ,FX Spot Trades

For purpose of clarity, local front office operation teams in Paris, Frankfurt, London and Hyderabad are responsible for trade initialisation of the following instruments:

- Open Ended Funds (both in-house and externally managed funds)
- Term Deposits
- FX Spot Trades
- Global Alternatives Trading team handle the Fx spot and Forwards.

In case of overdraft FOO covers the overdraft for base currency/restricted currency and Passive Mandates.

As such, these instruments are not part of the delegated outsourcing to the IAML trading team.

Term Deposits – Competitive rates with banks on approved counterparties

5. Equities & Exchange Traded Products

A. Scope

This section of the Policy covers the following:

- i) Exchange traded single stocks (Equities)
- ii) Exchange traded funds (ETFs)
- iii) Exchange traded commodities (ETCs)
- iv) Exchange traded notes (ETNs)

B. Selecting venues or brokers

IAML will decide, for each individual trade, the appropriate method of order placement or execution, based on the variables set out in Section C below. This might include any, or a combination of, the following:

- i) "High Touch" or "voice Trading" means a method of executing a Client Order using a sales trader who will monitor the market and subsequently execute that Client Order on one or more venues. This strategy requires a greater degree of human intervention than a "Low Touch" trading strategy and attracts higher execution commissions.
- ii) "Low Touch" means the use of an electronic order routing system, operated by a broker or the use of Dark Pools to source liquidity. Such trades are conducted at lower execution commission costs than High Touch trading.

- iii) "Program Trading", meaning a basket of Client Orders is routed to a broker for execution, generally at lower commission rates.
- iv) "Cross Trade", meaning a method of executing a Client Order by matching it with one or more contra in-house Client Orders (which may be new or existing) outside of a venue. These trades are generally conducted at low commission and at mid-price.
- v) Execution rates are monitored on an annual basis with reference to industry data to ensure they are competitive.

Execution rates are monitored on an annual basis with reference to industry data to ensure they are competitive.

IAML does not their own utilise algorithms and Direct Electronic Access as defined under MiFID II.

C. Equity order handling and routing

The Execution Factor for any Client Order are price, cost (implicit and explicit), speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order. Price, total consideration and/ or likelihood of execution will generally be given the highest relative importance when determining how and where to execute or place the order, but other factors can become significant depending on various execution criteria including, but not limited to:

- i) Order size as a percentage of average daily volume;
- ii) Urgency of execution;
- iii) Requirement to maintain anonymity or manage market impact (implicit costs);
- iv) Objectives of the Client or specific instructions;

- v) Liquidity of the instrument;
- vi) Available execution venues or brokers for the particular order.
- vii) Requirements of the portfolio manager and the prevailing market conditions

The execution factor relating to the individual order are given a relative weighting considering a wide range of elements that could influence the outcome of the execution. This will determine the appropriate course of action given the options available.

The trader has a variety of execution options available:

- i) Engage a sales trader at a brokerage or investment bank, via voice or secure message;
- ii) Electronic access which may include algorithms and broker sponsored direct market access;
- iii) Access liquidity via Dark Pools;
- iv) Combination of the above.
- iii) Client limit orders are either immediately executed or submitted for execution to a regulated market or MTF. This may not be applicable for large in scale orders.

ETF, ETC & Collective Investment Scheme (CIS) Trading

Invesco has a pool of approved counterparties with whom ETF's and ETC's are traded. Generally, for smaller orders or those with more liquidity, quotes will be obtained from competing Approved Counterparties and the cheapest quote accepted, thereby prioritising price.

Where market are volatile, speed may be prioritised so Approved Counterparties who respond quickly to requests for quotes are likely to be used if waiting for



another broker quote would be detrimental to the interests of the Client.

In other circumstances, for example where the product is illiquid or for larger trades where Invesco wishes to minimise market impact, it is more likely that a trade will be conducted on the daily fixed price of the instrument (the net asset value or NAV price), thereby prioritising (implicit) cost and/or likelihood of execution and settlement.

Generally, the portfolio manager will discuss their desired outcome for a trade with the trading desk, in particular any price or time limits. This would affect the tactical approach taken by the trader.

CIS (Collective Investment Schemes) Non-exchange traded collective investment schemes are traded using the relevant process for buying and selling the units in that undertaking and are executed at the latest available daily pricing point.

D. Monitoring of Best Execution

Factors Best execution monitoring To ensure that Best Execution is achieved for orders originating from the Investment Teams, 4 steps of the trading cycles are identified and reflected in different benchmarks used for monitoring:

- By the trading desks upon receipt but prior to the routing of a client order;
- By the trading desks upon routing but prior to execution of a client order;
- By the trading desks post execution of client orders and
- the Regional Compliance function on a post-trade and sample basis.

1. Monitoring upon receipt, but prior to routing a Client Order

Prior to routing a Client Order, the trader will assess the market in order to prioritize the Execution Factor.

To do this, traders have:

- i) Access to real-time price information in the relevant markets from Bloomberg or equivalent, via their execution management system(s).
- ii) Information showing which firms have an interest in trading a particular product (indications of interest), and
- iii) Advertised/published historic trade volumes.
- iv) Once an assessment has been made, prioritisation of the Execution Factor is determined and a trading strategy chosen. A Client Order will then be routed based on that trading strategy.

2. Monitoring upon routing but prior to execution (in whole or in part) of a Client Order

- i) Once a Client Order has been routed, Invesco will, where applicable, track and monitor the performance of that Client Order to determine whether any changes are required to the trading strategy.
- ii) For example, if there are adverse price movements which the trading desk may consider detrimental to the trade performance it may choose to alter the trading strategy by withdrawing from the market or imposing a temporary price or size limit. The trading desk will usually discuss the approach taken with the relevant portfolio manager as the Client Order progresses if the price moves away from the initial expected outcome.



3. Monitoring following execution of a Client Order

All transactions are subject to scrutiny following execution as part of the Best Execution process. Trades are measured against a series of different price and/or cost benchmarks and tolerances as part of trade analysis. Any outliers against these tolerances are subject to further scrutiny as to the reason for the outlying nature of the execution and the prioritisation of the Execution Factor which led to the relevant breach in tolerance. This process is known as "Transaction Cost Analysis" or "TCA". This TCA is reviewed in 2 ways: i) Firstly, by the trading desk on a weekly basis (using the outliers generated by the TCA process to ensure trading comments are annotated appropriately) and then; ii) On a quarterly basis by a senior oversight committee (where execution performance, Approved Counterparties, trading strategy and venues are discussed). The TCA process provides the relevant trading desk with relevant information to help improve its execution capabilities and performance going forward.

Analysis" or "TCA". This TCA is reviewed in 2 ways: i) Firstly, by the trading desk on a weekly basis (using the outliers generated by the TCA process to ensure trading comments are annotated appropriately) and then; ii) On a quarterly basis by a senior oversight committee (where execution performance, Approved Counterparties, trading strategy and venues are discussed). The TCA process provides the relevant trading desk with relevant information to help improve its execution capabilities and performance going forward.

4. Post-trade independent monitoring

The Invesco compliance monitoring team will oversee the front office Best Execution process. Independent monitoring ensures a function other than the trading desk can review, assess and challenge the trade execution process. Such monitoring will include a review of

TCA monitoring outliers, scrutiny of the relevance of benchmarks, a review of execution timeliness on a sample basis, attendance at the relevant senior oversight committee and oversight of policies and procedures.

Note: Data by venues, brokers, market makers, SIs and other liquidity providers under MiFID II will be reviewed and incorporated where it adds value to the existing monitoring processes.

6. Debt instruments – Bonds and Money Market Instruments (MMI)

A. SCOPE

- i) This section of the Policy covers the following:
- ii) Bonds (including Convertibles)
- iii) Term/Time Deposits
- iv) Certificates of Deposit
- v) Commercial Paper

Note: Instruments ii) to iv) above are collectively referred to as "Money Market Instruments" or "MMIs".

B. Selecting venues or brokers

IAML will decide, for each individual trade, the appropriate method of order placement or execution, based on the variables set out in Section C below. This might include either, or a combination of, the following:

- i) The Trading Desk can solicit bids and/or offers from one or more Approved Counterparties and the Approved Counterparty with the best price will generally have the Client Order subsequently routed to it. This process can also take place on electronic platforms (including MTFs and OTFs) or Dark Pools.



- ii) For some instruments, Approved Counterparties will contact the trading team directly (via telephone calls, emails and instant messaging) with specific bids and offers.

C. Bond order handling and routing

The Execution Factor for any Client Order are price, cost, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order. Price will generally be given the highest relative importance when determining how and where to execute or place the order, but other factors can become significant depending on various execution criteria including, but not limited to:

- i) Urgency of execution;
- ii) Requirement to maintain anonymity or manage market impact (implicit costs);
- iii) Issuer credit rating
- iv) Objectives of the Client or specific instructions;
- v) Liquidity of the instrument;
- vi) Available execution venues or brokers for the particular order.

The Execution Factor relating to the individual order are given a relative weighting in light of a wide range of elements that could influence the outcome of the execution. This will determine the appropriate course of action given the options available. The trader has a variety of execution options available:

- i) Engage a salesperson or trader at a brokerage or investment bank, via voice or secure message;
- ii) Electronic access;
- iii) Access liquidity via Dark Pools;
- iv) Combination of the above.

D. MMI order handling and routing

Price (or yield for MMI) will have high importance when determining how and where to execute the order, but other factors such as scarcity of supply, speed and security of investment are equally (and often more) significant depending on various execution criteria including, but not limited to:

- i) Urgency of execution;
- ii) Issuer credit rating;
- iii) Available brokers for the particular order. IAML uses MMI counterparties, consisting of brokers and banks of a variety of sizes. Most counterparties make available their price/yield via external market data providers which are available to traders.

E. Debt instrument best execution monitoring

To ensure that Best Execution is achieved for orders originating from the Investment Teams, 4 steps of the trading cycles are identified and reflected in different benchmarks used for monitoring:

- By the trading desks upon receipt but prior to the routing of a client order;
- By the trading desks upon routing but prior to execution of a client order;
- By the trading desks post execution of client orders and
- the Regional Compliance function on a post-trade and sample basis.

1. Monitoring upon receipt, but prior to routing a Client Order

Prior to routing a Client Order, the trader will assess the market in order to prioritize the Execution Factor. To do this, traders have:

- i) Access to real-time price information in the relevant markets.
- ii) Information showing which firms have an interest in trading a



particular product (indications of interest), and

- iii) Advertised/published historic quotes and trade volumes (where applicable).

Once an assessment has been made, prioritisation of the Execution Factor is determined and a trading strategy chosen. A Client Order will then be routed based on that trading strategy.

2. Monitoring upon routing but prior to execution (in whole or in part) of a Client Order

- i) Once a Client Order has been routed, Invesco may track and monitor the performance of that Client Order to determine whether any changes are required to the tactical approach, depending on the type of security being traded.
- ii) For example, if there are adverse price movements which the trading desk may consider detrimental to the trade performance it may choose to alter the trading strategy by withdrawing from the market or imposing a temporary price or size limit. The trading desk will usually discuss the approach taken with the portfolio manager as the Client Order progresses if the price moves away from the initial expected outcome.

3. Monitoring following execution of a Client Order

- i) Trades are subject to post trade monitoring as part of the best execution process – competing quotes are captured (where applicable) and reviewed

- ii) by the front office and/ or outlier trades, measured against a market benchmark in TCA analysis, are reviewed where available.

- iii) The monitoring output is reviewed in 2 ways:
 - a. Firstly, by the trading desk on a monthly basis (by reviewing, where applicable, competing quotes and commenting on the Execution Factor that were prioritised in the event that competing quotes were not obtained for any given order) and then;
 - b. On a quarterly basis by a senior oversight committee (where execution performance (including against TCA analysis where applicable), Approved Counterparties, trading strategy and venues are discussed).

4. Post-trade independent monitoring

Invesco compliance monitoring team will oversee the front office Best Execution process. Independent monitoring ensures a function other than trading desk can review, assess and challenge the trade execution process. Such monitoring will include a sample-based review of monitoring outliers (comprising an independent review to ensure multiple quotes were captured, where applicable, an independent review of instances where competing quotes were not obtained, a review of execution timeliness on a sample basis, attendance at senior oversight committees, and oversight of policies and procedures.

Note: Data by venues, brokers, market makers, SIs and other liquidity providers



under MiFID II will be reviewed and incorporated where it adds value to the existing monitoring processes.

7. Derivatives

A. Scope

This section of the Policy covers the following:

Credit Derivatives

- i) Bond Futures
- ii) Credit Default Swaps (CDS)
- iii) CDS Options
- iv) Total Return Swaps

Interest Rate Derivatives

- i) Futures
- ii) Interest Rate Swaps
- iii) Interest Rate Swaptions
- iv) Inflation Swap/Swaptions

Currency Derivatives

- i) FX Forwards
- ii) FX Options
- iii) FX (Volatility) Swaps

- iv) Currency Futures Equity Derivatives
 - i) Options
 - ii) Index and Single Stock Futures
 - iii) Variance Swaps
 - iv) Warrants
 - v) Total Return Swaps

Commodities Derivatives

- i) Commodity Futures

- ii) Total Return Swaps

B. Selecting venues or brokers

IAML will decide, for each individual trade, the appropriate method of order placement or execution, based on the variables set out in Section C below. The broker selection process is also based on a number of additional factors, which would include: – inventory for roll trades, specialisation, coverage (asset classes) and general clearing and give up capabilities.

Methods might include either, or a combination of, the following:

- i) The relevant IAML trading desk can solicit bids and/or offers from more than one Approved Counterparty and the Approved Counterparty with the best price will have the Client Order subsequently routed to it.
- ii) For some instruments, traders will review on-screen pricing to decide where to route electronic orders.
- iii) In some cases, approved counterparties will contact the trading team directly (via telephone calls, emails and instant messaging) with specific bids and offers.

Note: Where client grants Invesco authority to trade derivatives with a certain broker pursuant to client's own legal documentation with that broker, Invesco is able to trade with such derivatives broker as directed by client for the account of that specific client only, with such broker not being available to any other Invesco client.

C. Derivatives order handling and routing

IAML will decide, for each individual trade, the appropriate method of order placement or execution, based on the following variables: price, cost, speed, likelihood of execution & settlement, size, nature, & any other consideration relevant to the execution of the order. Price will generally be given the highest relative importance when determining how and where to execute or place the order, but other factors can become significant depending on various execution criteria including, but not limited to:

- i) Urgency of execution;
- ii) Requirement to maintain anonymity or manage market impact (implicit costs);
- iii) Objectives of the Client or specific instructions;
- iv) Liquidity of the instrument;
- v) Available execution venues or brokers for orders.

The Execution Factor relating to the individual order are given a relative weighting in light of a wide range of elements that could influence the outcome of the execution. This will determine the appropriate course of action given the options available.

D. Derivative instrument best execution monitoring

To ensure that Best Execution is achieved for orders originating from the Investment Teams, 4 steps of the trading cycles are identified and reflected in different benchmarks used for monitoring:

- By the trading desks upon receipt but prior to the routing of a client order;

- By the trading desks upon routing but prior to execution of a client order;
- By the trading desks post execution of client orders and
- the Regional Compliance function on a post-trade and sample basis.

1. Monitoring upon receipt, but prior to routing a Client Order

Prior to routing a Client Order, the trader will assess the market in order to prioritize the Execution Factor. To do this, traders have:

- i) Access to real-time price information in the relevant markets.
- ii) Information showing which firms have an interest in trading a particular product (indications of interest), and
- iii) Advertised/published historic quotes and trade volumes (where applicable).
- iv) For less visible OTC markets, traders can reference historic data captured by traders on high performing brokers for any given asset class.

Once an assessment has been made, prioritisation of the Execution Factor is determined and a trading strategy chosen. A Client Order will then be routed based on that trading strategy.

2. Monitoring following execution of a Client Order

- i) Trades are subject to post trade monitoring as part of the best execution process – competing quotes are captured (where applicable for OTC instruments) and reviewed by the front office. Trades performance measured against a market benchmark in TCA analysis, are reviewed for futures and FX trading.

- ii) The monitoring output is reviewed in 2 ways:
- a. Firstly, by the trading desk (by capturing and reviewing, where applicable, competing quotes on OTC trades) and then;
 - b. On a quarterly basis by a senior oversight committee (where execution performance (including against TCA analysis, where applicable), Approved Counterparties, trading strategy and venues are discussed).

3. Post-trade independent monitoring

Invesco compliance monitoring team will oversee the front office Best Execution process. Independent monitoring ensures a function other than trading desk can review, assess and challenge the trade execution process. Such monitoring will include a sample-based review of trading desk quotes for OTC instruments, where applicable, attendance at senior oversight committees, a review of OTC execution timeliness on a sample basis and oversight of policies and procedures.

Note: Data published by venues, brokers, market makers, SIs and other liquidity providers under MiFID II will be reviewed and incorporated where it adds value to the existing monitoring processes.

8. RTS 28 Reporting

As part of the MiFID II framework to enhance investor protection, in scope investment firms are required to publish annual reports on the quality of execution. This requirement seeks to address the lack of publicly available information on execution quality

enabling the public and investors to evaluate firms' efforts to obtain best execution.

RTS 27 and 28 requires firms to publish on an annual basis the top five firms (in terms of trading volumes) for each applicable asset class where client orders were executed in the preceding year, as well as information on the quality of execution obtained. Where a firm places trades rather than executing trades such as IAMD, the reports must reflect the placement of orders.

The reports will be published on the company's publicly-accessible website by the 30th April on an annual basis and will be retained for a minimum period of two years.

Annex 1: Addendum for the Real Estate branch of Invesco Asset Management Deutschland GmbH.

Supplementing the Order Execution EMEA CE Policy, Invesco's Real Estate Business follows the following principles of transaction execution:

A. Transaction Management

Transactions are negotiated individually and in connection to Real Estate acquisition / borrowing. The delegation of derivatives from the Luxembourg entity (Manco) to Munich office (Invesco Real Estate) is agreed with Derivatives Portfolio Management Agreements.

As only the delegation of derivatives is outsourced from the ManCo to Invesco Real Estate, the Investment team does not use an order management system nor provide monitoring comparable to the EMEA CE investment compliance teams. Instead, the order execution of derivatives transactions is performed by the investment team as part of the



acquisition process. Post derivatives trading checks are conducted by Invesco Real Estate regarding pricing, exposures etc. using market data, term sheets and prices delivered by the counterparty.

B. Derivatives use and Execution

Derivative instruments are traded by Invesco Real Estate for hedging purposes and are not designed to take speculative market positions. In the rare occasions where the value of the underlying liability changes, the notional of the hedging instruments used would also be adjusted to ensure derivatives are traded without varying intention. Specifically, derivatives are used to hedge currency risk (e.g. through FX Forwards) and interest rate risk (i.e. through Interest Rate Swaps).

Best execution factors are considered when engaging in derivatives, which includes:

- Price
- Cost
- Speed of Execution
- Likelihood of Execution and Settlement
- Size of the Order

The decision of factor prioritisation is made by the Real Estate Investment team, however with the assumption of liquid markets and stable credit ratings, price and cost factors are typically prioritised.

Furthermore, the banks with whom Invesco Real Estate finances investments regularly offer the most favourable terms for Interest Rate Swaps, therefore the financing bank and the interest rate swap counterparty are likely to be the same. All derivative transactions are based on standardized framework agreements.

C. Non-derivative Real Estate exposures

Invesco Real Estate does not gain real estate exposures through investments in securities of real estate companies, units/shares of real estate funds or through real estate investment trusts.

D. Counterparty Selection for Real Estate related transactions in financial instruments

The current list of eligible counterparties for Real Estate related transactions in financial instruments is listed below:

- Australia and New Zealand Banking Group Ltd
- Banco Santander
- Bankinter
- Bayern Landesbank
- Berlin Hyp AG
- BNP Paris
- Chatham Financial
- Danske Bank
- Deutsche Bank
- Deutsche Pfandbriefbank
- DZ Bank AG
- ING
- Jyske Bank
- La Banque Postale
- Landesbank Baden-Württemberg
- Lloyd Bank
- Natixis
- NatWest Markets Plc
- Norddeutsche Landesbank Girozentrale
- Nordea



- SEB AB Frankfurt Branch
- Societe Generale
- Synovus Bank
- U.S. Bank
- UniCredit S.p.A.
- United Overseas Bank Limited
- WELLS FARGO
- Western Alliance Bank

Annex II

Relevant Invesco Policy to be observed in Other Jurisdictions.

- IAML Order Execution Policy
- U.S. Equity Trading
- US Fixed Income Trading
- Hong Kong Equity Trading Policy

The Invesco Affiliates have harmonized procedures that seek to obtain best execution on each security transaction undertaken on behalf of client accounts and shared best execution processes to monitor trade executions.

APPLICABLE TO	IAMD and IMSA
DEPARTMENTS IMPACTED	Trading Team and Investment Team
RISK ADDRESSED BY POLICY	Adherence to Best Execution
RELEVANT LAW & RELATED RESOURCES	WPHG CDR(EU) Commission de Surveillance du Secteur Financier (CSSF)
APPROVED BY	<ul style="list-style-type: none"> • Paul Dumitrescu(Head of Compliance IAMD-) • Deepa Rajaram(IAMD Compliance Advisory) • Paul Squires(Head of EMEA & APAC Trading) • Mohamad Bouzakri(IAMD- FOO) • IMSA Management Committee (COMEX)
VERSION DATE VERSION DATE	December 2023