



**Osmosis Investment Management NL B.V.**  
**Order Execution Policy Disclosure**

**December 2025**

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## **Annex – Approved Broker List**

## **1. Introduction**

As a dedicated fundamental fixed income manager Osmosis Investment Management NL B.V. (“OIMNL”) provides portfolios management services to its clients, as well as collective portfolio management in its capacity as manager of alternative investment funds.

### **1.1 Objective**

OIMNL seeks to provide best execution when executing or placing orders on behalf of clients or funds. This Order Execution Policy Disclosure document outlines the principles and procedures adopted by OIMNL to ensure compliance with the best execution requirements under the Markets in Financial Instruments Directive II (MiFID II) and applicable Dutch financial regulations.

### **1.2 Scope**

This disclosure document applies to the execution of client orders in fixed income instruments, including corporate and government bonds, money market instruments, and financial derivative instruments. The latter include FX and interest rate futures transactions ancillary to security transactions. This policy applies to professional clients and eligible counterparties, and is reviewed regularly to ensure its effectiveness and alignment with evolving market practices and regulatory expectations.

### **1.3 Information to clients**

OIMNL publishes the latest version of this disclosure document on its website [www.osmosisim.com/nl](http://www.osmosisim.com/nl). In addition, this disclosure document is provided to new clients as part of the investment management agreement, to safeguard prior mutual consent on the order execution policy. In the event of significant changes related to e.g. dealing arrangements or regulatory obligations, materially impacting the best execution principles laid out in this disclosure document, the OIMNL website is updated and clients are notified accordingly.

## **2. Order execution**

### **2.1 Responsibilities**

OIMNL maintains a controlled process for the placement of client and fund orders in financial instruments. The responsibility for order placement lies with the Portfolio Management team, ensuring that all orders are placed in accordance with OIMNL’s best execution obligations. The responsibility for best execution evaluations lies with the Head of Trading, Head Data Science and Risk Manager who periodically report to the Investment committee and the Management Board.

### **2.2 Order execution methods**

Aside from share class hedging, all trading is done in-house by the front-office.

Orders may be:

- Executed directly with counterparties or trading venues, or
- Conveyed to third-party brokers or dealers for execution on behalf of the client or funds.

### **2.2.1 Execution with direct counterparties or trading venues**

The trading process is integrated with portfolio management, ensuring alignment between investment intent and execution. The decision to place an order with a particular broker or venue is based on an assessment of execution factors (see Section 2.3). All personnel involved in order placement are required to act in the best interest of the client and adhere to internal policies, regulatory requirements, and applicable compliance controls.

### **2.2.2 Placement or transmission of orders**

In the event of order placement or transmission to brokers, OIMNL relies on the selected broker to execute orders on an agency basis. In that case, the responsibility for best execution does not only apply to OIMNL, but also to the selected broker. OIMNL remains responsible for oversight and monitoring of the broker's execution quality.

## **2.3 Best execution factors**

OIMNL aims to maximize the value of client and fund portfolios by evaluating orders based on the following factors:

- Trade price or spread
- Order type and required speed
- Likelihood of execution and settlement (liquidity)
- Order size and market impact
- Trade execution costs

The relative importance of these factors may vary depending on market conditions.

## **2.4 Order allocation**

Allocation decisions are made to ensure fairness and consistency, with a focus on minimizing transaction costs and maximizing client outcomes. Key principles include:

- Fair and equitable treatment of all clients
- Pre-defined allocation methodologies
- Pro-rata allocation for partial fills, unless otherwise justified
- Documentation and auditability of allocation decisions

#### **2.4.1 Block Order aggregation**

OIMNL may aggregate orders with a similar order instruction into a block order to maximize execution efficiency, reduce market impact or obtain better pricing. Orders may only be aggregated if the market infrastructure allows for trade aggregation, the orders are generated simultaneously and if OIMNL reasonably believes that aggregation is likely in the best interest of the clients involved.

The following principles apply to aggregated block transactions:

- Trade allocations are made promptly and fairly based on pre-determined criteria
- No client will be favored over any other client.
- Specific client investment restrictions could lead to excluding a client from participating in a transaction.
- Transaction costs are shared pro-rata, based on the respective client's participation in the transaction.
- In partial fill cases, the executed portion of the transaction is allocated pro-rata on respective client's participation in the transaction (with each participating portfolio receiving a percentage based on the original order) or in accordance with a documented allocation methodology.
- Any deviation from the standard allocation method must be justified and recorded.

#### **2.4.2 Directed or preferred trades**

Where a client provides a specific instruction regarding the execution of an order, such as directing the trade to a particular broker, venue, or execution method, OIMNL executes the order in accordance with those instructions. This includes, but is not limited to, instructions to: use a specific execution venue or counterparty, route the order through a particular broker or execute the order at a specified time or price. OIMNL makes reasonable efforts to comply with such instructions, but clients should be aware that doing so may limit the ability to achieve best execution for the order, particularly where the directed venue does not offer the most favorable terms available in the market at the time of execution.

### **2.4.3 *Bi-directional and cross trades***

OIMNL may execute cross trades, meaning transactions where one client account sells a security directly to another client account only when such trades are in the best interest of both clients and do not disadvantage either party.

The following conditions apply to cross trade transactions:

- Executed at a fair market price and if possible, validated against independent market data.
- Pre-approved by the Risk Manager.
- Documented and monitored to safeguard transparency and regulatory compliance, with a focus on the rationale and fiduciary responsibilities

Cross transactions are always executed through a broker. If the person responsible for trading has orders that contain both buy and sell orders for the same security, executing brokers are instructed to cross these trades internally without executing the order in the market. Internal crosses (i.e. without broker intervention) are not allowed. Therefore, the legal entities involved in the cross transaction will not be considered each other's direct trading counterparties.

### 3 Broker and trading venue selection

#### 3.1 Approved broker and venue list

OIMNL maintains a selection of brokers and trading venues to achieve consistent best execution under various market conditions, with various order types. New brokers or venues are subject to a qualitative selection process before being added to the Approved Broker List. A non-exhaustive list of approved brokers and trading venues used by OIMNL is included in the annex of this disclosure. The list is reviewed regularly.

OIMNL is not affiliated with any broker or trading venue, which allows for full flexibility to select trading partners on the basis of best execution.

The following factors are assessed during the selection process:

- Execution quality including price, speed, and fill rates
- Costs, commissions and fees
- Market access and liquidity
- Operational reliability including accurate and timely execution and settlement
- Regulatory standing and counterparty risk
- Policies of the broker/venue candidate are aligned with OIMNL policies

OIMNL Portfolio Managers can only trade with approved brokers and venue counterparties. This is system-enforced.

#### 3.2 Bond trading

Fixed income orders are transmitted to several brokers which are on the Approved Broker List. The following non-exhaustive factors, with priorities subject to market conditions, are assessed upon selecting an approved broker for a particular bond trade:

- **Speed:** price volatility resulting in prioritizing timeliness of execution
- **Price:** Execution against a price as close as possible to the prevailing mid-market level
- **Liquidity check:** Order size relative to other trades in the same financial instrument
- **Access to liquidity:** low liquidity resulting in prioritizing the likelihood of execution. Depending on liquidity, bonds are either traded electronically with an RFQ through TSOX or an external venue like MarketAxess, or by voice (direct interaction with high-touch sales through Bloomberg).
- **Market impact:** if needed, minimization
- **Order type, size and nature** limiting the broker or venue choices
- **Exchange-traded or OTC**
- **Costs:** Commission rates or other costs
- **Client mandate restrictions**

Generally, OIMNL executes trading orders in competition. This means that an order is executed by simultaneously requesting a price (RFQ) on a platform from multiple counterparties. Event-driven, illiquid market circumstances, larger order sizes and/or order types (e.g. cashflow-driven) might justify the selection of just one counterparty.

### **3.3 Liquidity funds trading**

Depending on interest rate levels and liquidity, 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 laid out by the relevant fund prospectus. At least annually, OIMNL reviews the appropriateness of the use of these funds and respective conditions, in comparison to holding e.g. government bonds of Germany or US.

### **3.4 Derivatives trading**

Derivatives are all traded electronically, either with JP Morgan through Bloomberg EMSX for futures or with Northern Trust through Bloomberg FXGO for FX.

#### **3.4.1 Futures trading**

Interest futures are traded on electronic platform via Bloomberg EMSX.

#### **3.4.2 FX trading**

For OIMNL funds, foreign exchange (FX) contracts and spot trades are executed via Bloomberg FXGO, according to standard instructions agreed between OIMNL and custodian Northern Trust (NT). NT applies an agreed spread to the price received.

Larger orders with potential market impact when communicated to multiple counterparties and orders executed on a market fixing price are executed by one counterparty.

#### **3.4.3 Collective investment undertakings**

In the event of trading in a collective investment undertaking on behalf of clients, OIMNL uses the operator of the undertaking itself as a venue for buying or selling units or shares in that undertaking.



## **4 Best execution monitoring**

### **4.1 Monitoring of execution quality**

OIMNL conducts ongoing monitoring and evaluation of execution quality to ensure adherence to its best execution obligations. Key elements of the monitoring framework include:

#### **4.1.1 *Transaction Cost Analysis (TCA)***

TCA is performed to quantify and evaluate the costs associated with trading. These include execution quality (e.g. slippage, spread, market impact), benchmark comparisons (including bid-offer spreads and historical pricing) and cost attribution (e.g. venue and broker performance). All trades executed in Bloomberg AIM flow directly into Bloomberg TCA (BTCA) where they are evaluated against Bloomberg BGN, CBBT, or BVAL prices. Outliers are evaluated periodically and outlier reasons are provided by the trader in BTCA. TCA input data and reports are captured in Bloomberg BTCA.

#### **4.1.2 *Post-trade reviews***

OIMNL periodically assesses the overall trade process quality after execution, including compliance with best execution (factors described in Section 3.2) and operational efficiency. To monitor best execution compliance for foreign exchange trades, OIMNL combines its independent analysis with periodical reporting from custodians.

#### **4.1.3 *Counterparty performance reviews***

OIMNL performs periodic evaluation of brokers and trading venues based on execution quality, responsiveness, and reliability (as referred to under section 3.1). The review is performed by the Heads of Trading and Data Science and the Risk Manager. The outcome is reported to the Investment Committee and the MB, after which changes can be made to the Approved Broker List.

#### **4.1.4 *Oversight***

Best execution oversight is effectuated by front-office and risk management, identifying, reporting and implementing improvements, e.g. related to portfolio management decision-making, broker selection, venue usage, and policy updates.

## **Annex – Approved Broker List<sup>1</sup>**

- ABN Amro Bank NV
- Barclays Bank PLC
- BNP Paribas SA
- BOFA Securities Europe SA
- Citigroup Global Markets Europe AG
- Deutsche Bank AG
- Goldman Sachs International
- HSBC Continental Europe
- Jane Street Netherlands B.V.
- Jefferies GmbH
- J.P. Morgan SE (Fixed Income and ETD)
- Coöperatieve Rabobank U.A.
- RBC Capital Markets (Europe) GmbH
- Robert W. Baird & Co. Incorporated
- MarketAxess Capital Limited (counterparty for open trading)
- Morgan Stanley Europe SE
- Northern Trust Global Services SE (FX)
- Seaport Global Securities LLC
- Truist Securities, Inc.
- UBS Europe SE

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<sup>1</sup> List is subject to change from time to time