



DNB LUXEMBOURG S.A. INDUCEMENT POLICY

A. PURPOSE

The aim of this Inducement Policy (the “Policy”) is to align the processes of DNB Luxembourg S.A. (the “Bank”) with the applicable provisions of :

- The EU Directive 2014/65 on markets in financial instruments (“MiFID II”);
- The Commission Delegated Regulation 2017/65 supplementing Directive 2014/65/EU as regards organisational requirements and operating conditions for investment firms (‘MiFIR’);
- The Luxembourg Law dated 30 May 2018 on markets in financial instruments.

This document should be read in conjunction with other relevant guidelines applicable in the Bank and DNB Group, including the Code of Conduct and the policy on Managing Conflicts of Interest. In case of discrepancy, the present document shall prevail.

B. DEFINITIONS

Inducements shall be understood as any fees, commissions and other monetary and non-monetary benefits paid or received by the Bank to or from third parties for the provision of investment or ancillary services to any Customers of the Bank.

Proper fees shall be understood as any third-party payments which enable or are necessary for the provision of the investment services, and by their nature, cannot impair the Bank’s duty to act honestly, fairly and professionally in accordance with the best interest of the Customers. Proper fees include custody costs, settlement and exchange fees, regulatory or legal fees. **Such fees do not qualify as benefits or inducements and are therefore not in scope of the present Policy.**

C. PRINCIPLES

In relation to the provision of investment or ancillary services to any of its Customers, the Bank shall not pay any inducements to any third parties, including External Asset Managers or Business Introducers.

Conversely, the Bank shall not accept and retain such inducements from third parties. In the unlikely event the Bank receives any inducements, it shall be passed on to the end Customer as soon as possible and free of charge.

The aforementioned principles do not apply to Minor Non-Monetary Benefits when such benefits are:

- reasonable and proportionate;
- capable of enhancing the quality of service provided to a Customer; and
- of a scale and nature that do not impair compliance with the Bank’s duty to act in the best interest of the Customer.



Minor Non-Monetary Benefits are clearly disclosed to the Customers at least in a generic way prior to the provision of any investment or ancillary services by the Bank.

The following benefits qualify as acceptable Minor Non-Monetary Benefits and therefore remain acceptable:

- information or documentation relating to a financial instrument or an investment service, which is generic in nature or personalised to reflect the circumstances of an individual Customer;
- written material from a third party that is commissioned and paid for by an corporate issuer or potential issuer to promote a new issuance by the company, or where the third party firm is contractually engaged and paid by the issuer to produce such material on an ongoing basis, provided that the relationship is clearly disclosed in the material and that the material is made available at the same time to any investment firms wishing to receive it or to the general public;
- participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or an investment service;
- hospitality of a reasonable *de minimis* value, such as food and drink during a business meeting or a conference, seminar or other training events mentioned; and
- other Minor Non-Monetary Benefits which the Luxembourg authorities accept as capable of enhancing the quality of services provided to a Customer and, having regarded the total level of benefits provided by one entity or group of entities, are of a scale and nature that are unlikely to impair compliance with the Bank's duty to act in the best interest of the Customer.

In assessing whether a specific set of circumstances meets the above conditions, the following factors shall be considered:

- the nature of the service provided;
- the expected benefits of the arrangement to the Customer, the Bank and any third party involved;
- whether the arrangement could be seen as a potential incentive likely to change the proper behaviour of the Bank or any third party involved;
- the relationship between the Bank and the other party(ies) involved in the inducement;
- the amount of inducement; and

the nature of the inducement itself.

D. INVESTMENT RESEARCH

The Bank does not receive any investment research from 3rd parties as a benefit as it has decided to systematically pay such research from its own account.

E. ROLES AND RESPONSIBILITIES

The **Head of Private Banking** is responsible for ensuring that any benefits retained or given by the Bank for the provision of investment or ancillary services qualifies as an acceptable Minor Non-Monetary Benefit. Whenever a Customer requests additional information on inducements, the Head of Private Banking shall provide the requested information to the Customer in a comprehensive, accurate and understandable manner.



Operations are responsible for ensuring that the Bank does not accept and retain any inducements or that such inducements are passed on to the Customer.

The **Chief Compliance Officer** (the 'CCO') is responsible for ensuring that relevant staff members have adequate awareness and understanding of the principles set out in this Policy. The CCO is also responsible for implementing relevant controls and monitoring the adherence to the Policy and provide advice to the Head of Private Banking to assess whether payments/benefits qualify as inducement and to answer any Customer's request for clarifications. The CCO shall report to the Authorized Management and to the Board of Directors any alarming inducements received/paid, along with the clear assessments of the existence, nature and amount of payment/benefit received.

The **Authorized Management** is responsible for ensuring that the Bank complies with the rules set out in this Policy.

The **Board of Directors** is responsible for determining and promoting the Bank's principles in relation to inducements. The Board shall comment on the inducements reported by the CCO and decide upon the approach to be adopted.

F. RECORD KEEPING

All communications, assessments and inventories in relation to the provisions of this Policy shall be recorded and retained by the Bank for a minimum period of ten years without prejudice to any other record-keeping obligations arising from other legislation than those listed in section A of this Policy.

G. REVIEW

The CCO shall, together with the Authorized Management, review and assess this Policy and the adequacy and effectiveness of the arrangements and measures put in place. While conducting the assessment, the CCO and the Authorized Management shall take into consideration (i) the Bank's current business, (ii) the nature and range of the investment services and activities provided by the Bank, (iii) the evolution of the applicable laws and market practices with regards to the inducements rules, and (iv) the procedures and measures applicable within DNB Group in matters of inducements.

Any amendments to this Policy shall be approved by the Board of Directors and communicated to all staff of the Bank.

Version:	v.7.1
Issued by:	Authorized Management
Reviewed on:	05/09/2025
Effective as of:	28/11/2024
Document owner:	Authorized Management
Document prepared by:	Compliance
Endorsed by Authorized Management	17/09/2025
Approved by the Board	17/09/2025