

## Inducements Policy

### Introduction

In compliance with transparency obligations in the interest of its clients, Garanti BBVA International (GBI) has developed a Standard on Conflicts of Interest and Inducements applicable to the provision of services and distribution of products to customers.

Article 24.9 of Directive 2014/65, on markets for financial instruments, commonly referred to as MiFID II, provide that investment firms are regarded as not fulfilling its obligations under Article 23 (Conflict of Interest) under 24.1 (General principles and information to clients) where they pay or are paid any fee or commission, or provide or are provided with any non-monetary benefit in connection with the provision of an investment or ancillary service, to or by any party except the client or a person acting on behalf of the client. other than where the payment or benefit:

- i. is designed to enhance the quality of the service to the client; and
- ii. does not impair compliance with the investment firm's duty to act honestly, fairly and professionally in accordance with the best interest of its clients.

Which principles are inter alia implemented under Dutch law in more detail in Articles 168a (2) and 168aa Bgfo (Financial Enterprise (Regulation of Conduct) Decree).

GBI provides following investment services and activities:

- Reception and transmission of orders in relation to one or more financial instruments;
- Execution of orders on behalf of clients;
- Dealing on own account;
- Investment advice

### Types of inducements allowed

The following are considered inducements:

- Fees, commissions or non-monetary benefits paid or provided to a third party that is not a client or a person acting on its behalf, in connection with the provision of an investment service or an ancillary service to a client.
- Non-monetary fees, commissions or benefits charged to or received from a third party who is not a client or the person acting on behalf of a client, in connection with the provision of an investment service or ancillary service to a client.

The payment or benefit that permits or is necessary to provide investment services, such as custody fees, settlement and exchange fees, regulatory fees or legal fees, and which, by their nature, cannot conflict with GBI's duty to act honestly, fairly and professionally in the best interest of its customers shall not be subject to the conditions set forth in this section.

## Inducement Table

GBI does not accept or pay any fees and commissions that falls under inducements except for accepted minor non-monetary benefits.

The following minor non-monetary benefits are considered acceptable:

- Information or documentation relating to a financial instrument or investment service, of a generic or customized nature to reflect the circumstances of a particular client.
- Third party written materials commissioned and paid for by a corporate issuer or potential issuer to promote a new issuance by the company concerned, or where an issuer engages and pays a third party firm to produce such materials on an ongoing basis, provided that the relationship is clearly disclosed in such materials, and that these are made available at the same time to all investment firms wishing to receive them, or to the general public.
- Participation in conferences, seminars or other training activities on the benefits and characteristics of a particular financial instrument or investment service.
- Hospitality of a reasonable de minimis value, such as per diems during a business meeting or a conference, seminar or other training activity mentioned in the previous section.
- Other minor non-monetary benefits that, in accordance with applicable regulation, are considered capable of enhancing the quality of service provided to the client and, taking into account the total level of benefits provided by an entity or group of entities, are of a scale and nature such that they are unlikely to impair compliance with GBI's duty to act in the best interests of the client.