

# Inducements Disclosure Statement

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Updated October 2020

## ***Introduction***

The UK Financial Conduct Authority's (FCA's) rules which implement the amended Markets in Financial Instruments Directive ("MiFID II") set specific rules relating to Inducements and oblige Eurizon SLJ Capital Limited ("ESLJ" "Our" or "We") to provide Clients with information pertaining to the ESLJ approach on Inducements.

The Statement below identifies the types of receipts, payments and non-monetary benefits We may make or receive along with an indication of our approach and how We implement it in accordance with the MiFID II rules.

Any services or entertainment paid for or received by ESLJ must be designed to enhance the quality of the service to the end customer and not impair the ability of ESLJ to act honestly, fairly and professionally in the best interest of Our Clients.

## ***Categories of Inducements***

All the receipts, payments or non-monetary benefits received and paid for fall into the following categories:

- a. Items received from our Clients, or paid by Clients, (or a person acting on our Client's behalf) or items provided to Our Clients, or paid to Our Clients (or a person acting on Our Client's behalf);
- b. Fees which directly enable, or are necessary for, the provision of the services we provide to our Clients (such as custody fees, settlement and exchange fees), and which do not give rise to a conflict with Our duty to act honestly, fairly, professionally and in accordance with your best interest; and
- c. Items received from, or paid by, a third party (or a person acting on their behalf) or provided to, or paid to, a third party (or a person acting on their behalf). Such receipts, payments or non-monetary benefits are designed to enhance the quality of the services We provide to you and designed not impair Our duty to act in a Clients best interest.

## ***A summary of our approach on Inducements***

ESLJ has designed this Statement regarding its core activity of providing portfolio management services.

### ***a. Portfolio Management***

Where We provide portfolio management services to Clients, We cannot accept and retain any fee, commission or monetary benefits where these are paid or provided by any third party or person acting on behalf of a third party. Additionally, We may not accept, from any third party, any non-monetary benefits other than acceptable minor non-monetary benefits ("MNMB's").

### ***Investment Research***

Clients will not be charged for third-party investment research because ESLJ pays for this research from its own resources.

ESLJ may receive, without making payment, the following types of investment material which are considered to be MNMB's and not investment research, according to the FCA rules:

- Generic information or documentation relating to financial instruments or investment services such as short-term market commentary; economic releases or brief unsubstantiated summaries of a third party's own opinion;
- Written material that is commissioned and paid for by a corporate issuer or potential issuer;
- Research relating to a new issue that is made available to prospective investors; and
- A research trial that lasts no longer than three months and is not repeated within 12 months.

#### **Other Acceptable Minor Non-Monetary Benefits**

ESLJ may also accept or provide the following MNMB's:

- Participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or investment service; and
- 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 above.

#### **UCITS Management Company ("Manco")**

Where ESLJ acts as a Manco, the FCA rules on inducements may not apply if, the Manco in accordance with its core investment policy:

- Does not generally invest in financial instruments that can be registered in a financial instruments account opened in the books of a depository or physically delivered to the depository; or
- Generally, invests in issuers or non-listed companies to potentially acquire control over such companies either individually or joint with other funds, the inducement rules will not apply.

We take all reasonable steps to ensure that Our approach to Inducements is properly managed. Consequently, Our investment processes are overseen by senior management and monitored by Our Compliance Officer who will evaluate, on a periodic basis, the range of goods, services and MNMB's used to determine whether they continue to be appropriate and deliver, on a consistent basis, benefits to Our Clients. In addition, this approach to management of Inducements is reviewed periodically. If there are any material changes to this approach, we will communicate these to our Clients.

If you have any questions or require further detail regarding this Statement, please contact the ESLJ Compliance Officer ([compliance@eurizonslj.com](mailto:compliance@eurizonslj.com)).