Remuneration Policy Information in relation to the integration of sustainability risks

This document has been prepared on the basis of Art. 5 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosures in the financial services sector and includes information on the implementation of the Remuneration Policy for employees involved in the provision of investment and ancillary services in DSK Bank AD (the Bank) in its capacity as an investment intermediary (Remuneration Policy).

The remuneration policy shall take into account the integration of sustainability risks. In order to achieve greater transparency, both qualitatively and quantitatively, the Bank's Remuneration Policy promotes sound and effective risk management of sustainability risks, whereby the remuneration structure does not encourage excessive risk-taking of sustainability risks and is linked to risk-adjusted performance.

According to the Remuneration Policy, the Bank takes into account the integration of sustainability risks into its portfolio management and investment advice activities, insofar as they are relevant and essential for determining remuneration, taking into account the long-term interests of the Bank's clients in view of the results achieved. The Bank shall consider positively the integration of sustainability risks where they are relevant and material to investment outcomes, using them as a tool to enhance investment performance, which would benefit customers, the Bank and its employees equally. The Bank considers the integration of sustainability risks as part of the consideration of all non-financial criteria that promote sound and effective risk management in accordance with the established high professional standards also set out in this policy.

The Bank's remuneration policy is approved by the Supervisory Board of the Bank after coordination by the Remuneration Committee.