

## DNB Asset Management S.A. Benchmark Contingency plan

DNB Asset Management S.A. (“**DAM S.A.**”) operates as UCITS Management Company under the law of 17 December 2010 on undertakings for collective investment (the “**UCI Law**”) and is entrusted with the management of DNB Fund. DAM S.A. has further elected to delegate the investment management activities of DNB Fund to DNB Asset Management A.S. (the “**Delegate**”).

By virtue of article 28(2) of the EU Regulation 2016/1011 (the “benchmark regulation” or the “**BMR**”) DAM S.A. has implemented on behalf of and upon approval of the board of directors of DNB Fund a written plan (the “**Contingency Plan**”) that defines *inter alia* the course of actions taking place in the event of a change occurred to any benchmark used by any of sub-funds of DNB Fund i.e.:

- Material change of a benchmark (e.g. in the eventuality of significant changes in the underlying methodology to develop a benchmark);
- A given benchmark administrator is not included in the ESMA register<sup>1</sup> anymore (or the benchmark itself when referring to third country benchmarks); and
- A benchmark ceasing to exist (permanently or temporarily).

As soon as one of these critical events takes place, DAM S.A. shall adopt the provisions of the Contingency Plan to enable the substitution of a given benchmark at the level of the concerned sub-funds of DNB Fund and the related transition plan to adopt a backup benchmark.

The Contingency Plan also describes how DAM S.A. monitors such events, the actions prescribed by the internal escalation process as well as the involved departments that bear responsibilities in this regard.

When any of the abovementioned events take place, DAM S.A. contacts and informs the Delegate of the necessity to substitute a given benchmark, and liaises with the Delegate to determine the impact and evaluate the consequences of such event, with peculiar attention to the capacity to quickly implement due changes while at the same time taking into consideration any entailed risk management implication (e.g. impact on risk figures and on the general fund risk profile).

Therefore, the findings on the applicability of a given benchmark, in conjunction with changes to relevant key risk and performance indicators derived by the adoption of the new benchmark are

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<sup>1</sup> ESMA maintains a list of benchmark administrators and third country benchmarks [here](#)

discussed *ex ante* within DAM SA risk committee and within the Management Committee, which ultimately derives conclusions for this analysis.

Thereafter, DAM S.A. seeks internal approval from the Board of the DNB Fund for the benchmark change and performs due filing to CSSF by means of the next prospectus update.

A comprehensive analysis of existing fund documentations is then carried out in order to assess and perform the necessary changes to all relevant documentation and contractual arrangements with clients when applicable, also including, but not limited to, information displayed through DAM S.A. websites.

Notice is also given to DNB Fund's administrative agent of the benchmark change, so that all relevant updates and changes are performed accordingly.

It has to be highlighted that DAM S.A. ascertains on a regular basis that the consistency of the selected benchmarks for DNB Fund is verified and therefore carries out this analysis on applicable benchmarks and backup benchmarks pre-emptively and regularly, in conjunction with a review of the Contingency Plan adequacy in case adjustments are needed and/or changes in the regulatory framework take place.

The Contingency Plan is corroborated with an inventory list i.e. "Backup Benchmarks List", available upon request, summarising the official benchmarks as well as backup benchmarks deemed appropriate and suitable by DAM S.A. for the investment strategies of all concerned sub-funds of DNB Fund. The Backup Benchmarks List for every sub-fund of DNB Fund will be made available to investors of DNB Fund upon request.