

1. Research

i. **What constitutes Research? Will NWM provide me with Research?**

MiFID II introduces new rules around the receipt by EEA investment firms of Research. Research is defined as research material or services concerning one or several financial instruments or other assets, issuers of instruments or closely related to a specific industry or market, which recommends an investment strategy supported by a substantiated opinion or analysis.

ii. **Do I have to pay for Research? What is unbundling?**

MiFID II permits EEA portfolio managers and investment advisers to receive minor non-monetary benefits free of payment. Recent guidance from ESMA has highlighted that Fixed Income, Currency and Commodity (FICC) research may be deemed a "minor non-monetary benefit" if it is made available to any EEA investment firm or to the public; this would mean that the research would not need to be paid for.

It is NWM's intention to adopt this approach to allow for the continued receipt by EEA portfolio managers and investment advisers of our written research and desk strategy notes free of payment. Note Corporate clients can continue to receive our research or desk strategy free of payment, even if not made public.

Unbundling refers to the fact that we will need to identify, price and supply separately from execution services all services and benefits (including research) we provide to EEA investment firms.

If you are an EU Investment Firm, you will need to pay for privileged access with our analysts, (for example, face to face meetings). This will be covered by an annual subscription charge, and the amount of this charge will be announced shortly

iii. **I want to pay for Research. What do I need to take into consideration?**

As mentioned above, NWM does not expect that you will need to pay for NWM written material where it is either available to any EEA investment firm or to the public.

If, under your own analysis, you feel that you need to pay for the material in order to remain compliant with the regulations, please contact the NWM Regulatory team at mifid2@natwestmarkets.com.

iv. **I do not want to receive NWM research**

NWM written material will be available for free on a platform behind a login. The platform details will be announced shortly. As such, we do not consider it to be an inducement. If you do not want to receive the material, please inform your staff not to register and please contact your NWM Sales person.

v. **What NWM research does our firm currently receive?**

For a full list of the desk strategy that your firm receives from NWM, please contact mifid2@natwestmarkets.com.

vi. **What other services need to be paid for?**

If you are EU Investment Firm, you need to pay for valuable data feeds and analytics tools that you receive. These include Opportunity Search, Charts and Volatility Tracker. The data and tools will be sold as a package and charged at a monthly fee per Enterprise. The charge will be announced shortly. If you would like to discuss these further, please contact your Sales person.

vii. Will you be charging for Post Trade Reporting Services?

NWM does not consider post trade reporting services, including delegated trade reporting under EMIR or assisted reporting, to be inducements. As such, they will continue to be provided for free.