PRIVATE BANKING

Terms and Conditions for Portfolio Management

Van Lanschot Kempen (Switzerland) Ltd.
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This document sets forth the Terms and Conditions of the Portfolio Management Agreement (the 'Agreement') that you will enter into with us. Each chapter commences with a brief overview. Specific terms are defined at the end of this document in Appendix 1: Glossary.

1. Who is Van Lanschot Kempen?

Van Lanschot Kempen (Switzerland) AG (hereafter 'Van Lanschot Kempen' is a licensed bank as defined by the Swiss Banking Act and is supervised by the Swiss Financial Market Supervisory Authority (FINMA). The bank is registered in the Swiss Commercial Register, UID CHE-105.997.170, and the VAT identification number is CHE-105.997.170 MWST.

Further information regarding the registration and license can be found on the websites zefix.ch and Approved Institutes | FINMA

2. What investment services does Van Lanschot Kempen offer?

We provide the following investment services:

- Portfolio Management
- Investment Advice
- Execution Only

3. What other conditions apply to you?

The Van Lanschot Kempen General Terms and Conditions apply to all products and services you obtain from us. We assume you are familiar with them. Additional terms or information may apply to specific services, interactions, or investments. For example, some investments include a prospectus or Key Information Document (KID), for which we are not responsible if we are not the issuer. Please note that while we communicate in Dutch or German, some documents may be in English.

4. Precedence of conflicting Terms and Conditions

In the event of a conflict between the General Terms and Conditions and the provisions set forth in this document, please notify us at your earliest convenience. The following order of precedence applies:

- Product- or service-specific terms take precedence over the General Terms and Conditions, unless the latter offer greater consumer protection.
- Specific provisions within an agreement take precedence over general clauses.

1. Terms and Conditions Governing Your Portfolio

Introduction

This chapter sets out supplementary agreements to our General Terms and Conditions. It details the principles governing our business relationship and the management of your portfolio.

General terms

1. What do we do with your data?

We are committed to respecting your privacy by handling your personal data securely, in accordance with service delivery requirements and regulatory obligations. Data may be shared with third parties when necessary. Phone calls are recorded for legal compliance and kept for ten years. Access to recordings can be requested. More details can be found in our Privacy Statement at Privacy and cookies | Van Lanschot Kempen

2. What if you disagree with us?

If you disagree with any aspect of your investments, contact your Banker immediately.

3. Do you have a complaint?

Complaints should be filed within a year of the incident. Contact us directly or through your Banker. If unresolved, you can contact the Swiss Banking Ombudsman or pursue legal action in Zurich. For more details, please refer to bankingombudsman.ch.

4. What guarantee schemes are available?

The esisuisse deposit insurance scheme protects client deposits up to CHF 100’000 per client if Van Lanschot Kempen cannot meet its obligations. Investment losses are not covered. More information is available at esisuisse.ch.

5. Are your investments protected if Van Lanschot Kempen goes bankrupt?

Your financial instruments belong to you and are considered segregated assets. In the event of the bank's insolvency, they are typically protected and not part of the bankruptcy estate.

Specific terms about your portfolio

6. Why do we open a portfolio for you?

Upon receiving the signed agreement, we will open a cash account and a portfolio for your investments. When we purchase investments for you, the funds will be debited from your current account. In the case of sales, the proceeds will be credited to the current account. As mentioned in Chapter 5 of these Terms and Conditions, fees will also be deducted from your current account.

7. How can you transfer and withdraw money from your portfolio?

To transfer funds from your cash account to your portfolio, ensure sufficient balance and instruct your Banker. All transfers to your portfolio will be invested within five working days.

For withdrawals from your portfolio, contact your Banker. You cannot transfer the funds yourself. The minimum withdrawal is usually CHF 100’000, though smaller amounts may be allowed in exceptional cases. After a withdrawal, the remaining portfolio value must meet the minimum required. If not, we may not be able to continue Portfolio Management services for your account. For further details, see Chapter 6 of these Terms and Conditions.

8. What interest rate do you pay on an overdraft facility in your portfolio?

Unfortunately, we are unable to approve an overdraft facility on your portfolio. If there was a temporary overdraft caused by our purchase order, no interest will be charged.

9. What information will you receive from us about your portfolio?

You can access the daily status of your assets through Online Banking. Paper statements are not provided unless agreed. Upon request, you receive a detailed portfolio report with an investment and transactions overview, the portfolio performance, and costs. Annual financial tax statements can be requested digitally.

10. What happens if you have a portfolio jointly with other individuals?

Each holder can independently request reports and individually access the portfolio via Online Banking. Notifications to one holder apply to all. In some cases, independent decision-making may be restricted, requiring written consent from all parties.

11. What happens to your portfolio when you die?

Heirs must provide a certificate of inheritance to claim funds. For joint accounts, notify us if a holder dies; remaining holders can continue using the account as agreed.

12. Can you pledge your portfolio assets?

You may pledge portfolio assets as collateral for a loan from the bank. We will determine the collateral value of your portfolio holdings.

2. Portfolio Management

Introduction

In this chapter, we outline the Portfolio Management service, detailing which investment concepts are available and how we manage your assets.

Portfolio Management at Van Lanschot Kempen

1. What is Portfolio Management?

Van Lanschot Kempen manages your assets independently, based on your personal preferences, risk appetite, investment goals, knowledge & experience, sustainability preferences, and financial position. Together, we determine a suitable investment profile for you, as detailed in Chapter 3 of the Terms and Conditions. Our management of your assets is based on our estimates and market expectations. While we are not liable for financial losses due to market performance, we take responsibility for the proper execution of our agreement. We make use of selected investment information and research from VLK Investment Management and other sources to make informed decisions, focusing on diversification and sustainability.

2. When is the Portfolio Management service suitable for you?

The service is suitable for clients who prefer professional management of their assets. It is convenient for customers who find financial markets complex, lack the time or interest to manage investments on their own, or face professional constraints.

3. In what ways can you have your assets managed at Van Lanschot Kempen?

There are two types of Portfolio Management.
1. Portfolio Management (standard proposition)
2. Customized Portfolio Management.

4. Which investments do we include in Portfolio Management?

We implement the portfolio strategy through funds and, upon request, through individual shares within specific concepts (e.g., ‘Active’). Our selection takes ESG aspects into considerations (exclusions). We use both actively managed and passive funds. The selection of in-house funds is based on the same criteria as applied for third-party funds.

5. Which investment concepts can you choose in Portfolio Management?

Select from a range of concepts specifically designed to align with your personal preferences, serving as the foundation of your agreement with you. Within Portfolio Management, we offer the following investment concepts:

Index

Offers cost-efficient index funds and ETFs, aiming to replicate the performance of specific market indices while integrating ESG criteria.

Smart

Model optimized diversification and global asset allocation using passive mutual funds and ETFs, emphasizing sustainability and risk-adjusted returns.

Active

Combines both actively managed and passive funds, aiming to outperform the market while integrating sustainability criteria and excluding poor ESG practices. Single stock portfolios are available.

Sustainable

Focuses on social and financial returns, applying additional sustainability criteria and selecting funds that prioritize the most sustainable companies.

6. How are your assets allocated?

Index, Active, and Sustainable portfolios are allocated based on market and economic expectations. The Smart concept uses the Black-Litterman model for optimization. Diversification is crucial for risk management, as asset classes may react differently to economic changes. Your portfolio is guided by your investment profile and concept, with assets allocated within set thresholds (detailed in Chapter 3).

Other

7. What should you do if you want to switch to another investment service?

To change the investment service, please contact your Banker to explore other options like Investment Advice or Execution Only.

8. When does the Portfolio Management agreement end?

The agreement is indefinite and can be terminated by either party with a signed letter. Upon termination, we will stop managing your assets and either sell or transfer them. If your portfolio balance falls below CHF 100'000 for any of the mentioned investment concepts, we will contact you to discuss the continuation of the mandate.

9. How can you terminate the Portfolio Management agreement?

To cancel the agreement, send a signed letter or email to your Banker, specifying which accounts you wish to close and giving further instructions for your investments. Fees are detailed in Chapter 5 of the Terms and Conditions. The management of your portfolio will cease within five working days once instructions are clear. Generally, investments must be sold before termination.

10. Treatment of Your Assets in the Event of Death

We continue managing your assets until a certificate of inheritance identifies your heirs, who can then instruct us. If heirs are not identified within nine months, we may terminate the agreement and transfer proceeds to your cash account. For joint accounts, the agreement continues with the surviving party until other heirs are identified.

11. What happens to your assets if you are placed under administration or guardianship?

Your administrator or trustee will represent you. We continue managing your assets until a court ruling is in place and a new investment profile is agreed upon. If unresolved after six months, we may sell investments and transfer the proceeds to your cash account.

12. What happens to your assets if you move to the United States?

We can no longer manage your assets and may sell all investments, transferring proceeds to your cash account. We will contact you to discuss other options.

3. What is an investment profile and how does it work?

Introduction

This chapter outlines the various investment profiles, their key characteristics, and the process used to determine the most suitable profile for you.

Our investment profiles

1. What is an investment profile?

An investment profile reflects the potential risk and returns of your investment strategy.

2. What are asset classes?

Investments are classified into different asset classes. Risk-bearing investments include for example equities, high yield bonds, real estate and commodities. Risk-averse investments include money market and investment grade bonds. Diversifying across asset classes helps reducing risk, as they may respond differently to economic changes. Each investment profile consists of a defined strategy and asset allocation.

3. Which investment profiles do we use?

We offer five investment profiles. Please review the following descriptions to evaluate which profile best corresponds to your investment objectives and preferences.

Income

Suited for investors prioritizing capital preservation over growth, focusing on risk-averse investments. Minimal exposure to riskier assets, generally limiting negative returns and minimalizing capital loss risk.

Defensive

For investors who prioritize capital preservation with modest long-term growth, combining mainly risk-averse investments with some risk-bearing assets. Accepting moderate negative returns.

Neutral

Balances capital preservation and long-term growth, including both risk-averse and risk-bearing investments. Accepts a higher volatility and potential capital losses.

Growth

Prioritizes long-term capital appreciation, focusing on risky investments like equities, with fewer risk-averse assets. Accepts significant volatility and potential capital losses.

Offensive

Focuses on long-term growth with minimal concerns regarding capital preservation; heavily investing in risk-bearing assets. Accepts significant volatility and a high capital loss risk.

Your investment profile

4. How do we agree with you on a suitable investment profile?

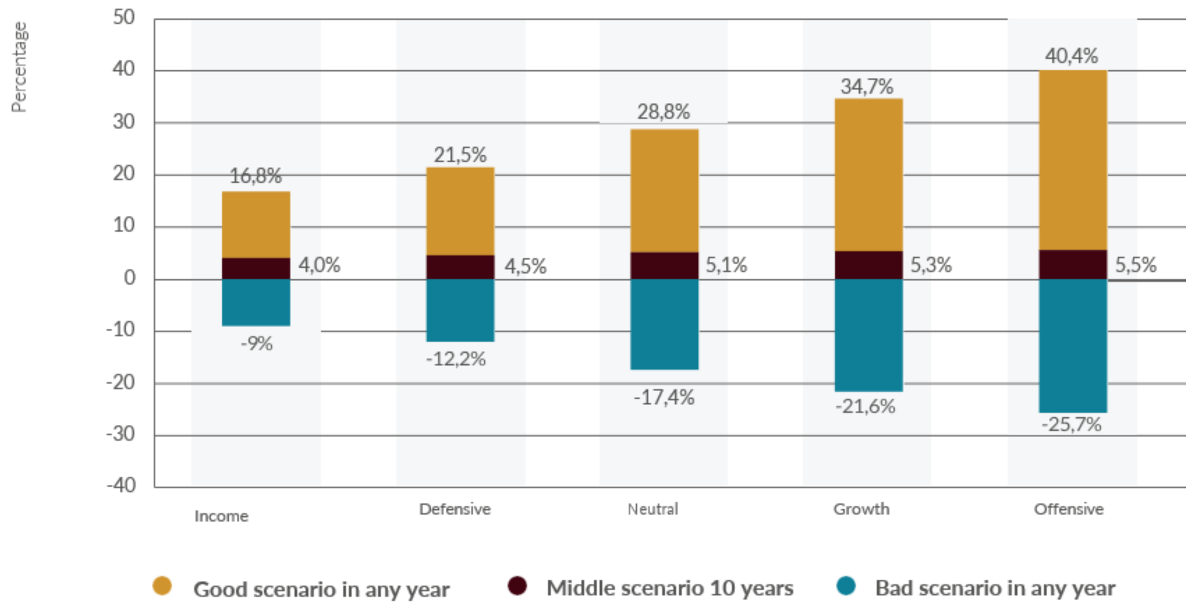
Together, we determine a suitable investment profile through a suitability test, analysing your financial situation, goals, risk tolerance, and investment experience. Sustainability preferences are addressed separately. You can change your profile by contacting your investment specialist or banker.

5. What risks and returns can you expect?

In order to give you the best possible insight into return and risk, we make use of a scenario analysis. A large number of economic scenarios are simulated. The graph below shows the exemplary results of a scenario analysis that allows you to get an idea of how the value of your investments may develop in any given period.

For a detailed explanation and current analysis please contact your Banker.

Return expectations per investment profile (illustrative)



Source: Ortec Finance.

6. How do we calculate the expected returns and risks?

We use Ortec Finance's OPAL Wealth Planner for scenario analysis, based on monthly updated economic data. This provides insights into return-risk ratios. More information is available at www.ortec-finance.com/nl-nl.

7. What are the consequences of withdrawing money from your invested assets?

Regular withdrawals can significantly impact your investment goals. Please discuss planned withdrawals with your Banker who supports you in the selection of the suitable profile. The OPAL Wealth Planner takes these impacts into account when assessing your objectives.

Use of your investment profile

8. Your investment profile as a basis for managing your assets

We allocate your assets across asset classes based on your investment profile and concept, adhering to set minimum and maximum bandwidths. These bandwidths grant flexibility to adapt to market changes (TAA) while aligning with your risk preference.

The bandwidths depend on your chosen risk profile.

Active, Index and Sustainable

When constructing Active, Index, and Sustainable portfolios, we consider bandwidths - defined minimum and maximum allocation limits for each asset class.

Bandwidths per asset class per investment profile

	Income	Defensive	Neutral	Growth	Offensive
Money market	0%-20%	0%-20%	0%-20%	0%-20%	0%-20%
Investment grade bonds	60%-100%	40%-80%	25%-65%	10%-40%	0%-25%
High yield bonds	0%-10%	0%-15%	0%-15%	0%-20%	0%-20%
Emerging market debt	0%-10%	0%-15%	0%-15%	0%-20%	0%-20%
Equities	0%-30%	10%-45%	20%-65%	30%-80%	40%-95%
Real estate	0%-5%	0%-10%	0%-10%	0%-15%	0%-15%
Commodities	0%-5%	0%-10%	0%-10%	0%-15%	0%-15%

Smart

In the Smart investment concept, we align your asset allocation with your investment profile's expected long-term volatility, based on over 15 years of historical data. Each profile has specific volatility limits, but short-term volatility may differ from these expectations.

Volatility ranges by investment profile

Investment profile	Bandwidth
Defensive	4%-8%
Neutral	6%-10%
Growth	8%-13%
Offensive	11%-16%

9. How do we use your investment profile to monitor your portfolio?

Your portfolio's composition and values may change due to transactions or market fluctuations. We continuously ensure your portfolio aligns with your risk profile.

Active, Index and Sustainable

We keep your investments within the predefined ranges to align with your profile. If values deviate, we adjust your portfolio to match your risk tolerance.

Smart

We monitor long-term volatility to ensure it stays within the agreed range, monitoring deviations and adjust accordingly. Please note, that we track only long-term volatility, not short-term fluctuations. Therefore, returns may vary more or less than expected.

10. Where can you see the current allocation of your assets?

You can view the allocation of your assets via Online Banking on a daily base. The monthly private banking report contains your asset allocation as well.

11. What should you do if your personal situation changes?

Notify your Banker promptly of any changes in your financial situation, personal circumstances, or sustainability preferences. This ensures we can accurately reassess your investment profile.

4. Sustainability within Portfolio Management

Introduction

In this chapter, we explain how we at Van Lanschot Kempen define sustainability and how we implement sustainability aspects within Portfolio Management. We will also explain why we ask you about your sustainability preferences and what information you receive from us about sustainability.

General explanation of sustainability

1. What is sustainable investing in general?

Incorporates ESG (Environmental, Social, and Governance) factors alongside financial returns, focusing on ESG opportunities and risks, excluding certain sectors, engaging with companies on sustainability topics, or choosing investments with a positive societal impact.

2. What is ESG investment, a sustainable investment, and an EU Taxonomy investment?

ESG Investment

ESG investments adhere to various sustainability criteria. Among others, we take 'Principal Adverse Impacts' (PAIs) into consideration. Adverse impacts can range from greenhouse gas emissions to human rights violations. For a summary of the adverse impacts taken into consideration, please refer to Chapter 7.

Sustainable investment

The Sustainable Finance Disclosure Regulation (SFDR) offers a uniform definition of sustainability: a sustainable investment is one that contributes positively to an environmental and/or social objective, and does not harm any of these objectives, and is made in a company that meets minimum responsible governance standards.

EU Taxonomy investment

The European Commission developed the EU Taxonomy to encourage investment in sustainable activities. This handbook outlines criteria that economic activities must meet to be deemed environmentally sustainable. It provides a sector-based classification system, helping investors and companies identify sustainable investments and their environmental impacts. Activities meeting these criteria are termed EU Taxonomy investments.

Investments that comply with the EU Taxonomy and applicable selection criteria must:

- Make a substantial contribution to one or more of the six environmental objectives.
- Avoid causing significant harm to other environmental objectives.
- Demonstrate adherence to minimum social standards.

The six environmental objectives are:

1. Combating climate change (climate change mitigation).
2. Climate change adaptation (climate adaptation).
3. Sustainable use and protection of water and marine resources.
4. Transition to a circular economy.
5. Pollution prevention and control.
6. Protection and restoration of biodiversity and ecosystems.

To determine whether an investment aligns with the EU Taxonomy, we rely on information from listed companies. For more details, please refer to Chapter 6 of this chapter, 'What do we at Van Lanschot Kempen mean by a sustainable investment?'.

3. What sustainability classifications are there in the SFDR?

Based on the SFDR, investment funds can be classified into three categories based on sustainable criteria.

1. **Article 6 investment fund:** investment fund has no or limited sustainability policy. Article 6 funds can then be divided into:
   - 6(a) The investment fund does not take sustainability risks into account.
   - 6(b) The investment fund does consider sustainability risks.

2. **Article 8 investment fund:** promotes environmental, social, or a combination of these characteristics, with investee companies adhering to good governance practices. To qualify for Article 8, the fund must have a sustainability policy covering exclusions, ESG integration, and active ownership.

3. **Article 9 investment fund:** aims to make sustainable investments.
   To qualify as an Article 9 investment fund, the fund must invest in economic activities that contribute to an environmental or social objective without detracting from the Taxonomy's objectives. Like an Article 8 fund, it should follow good governance practices. Additionally, the fund must designate an index as a reference benchmark.

For information on the sustainability classification of investment funds, we rely on third parties like renowned ESG data providers, such as MSCI ESG Research. These third parties are chosen carefully, but we are not responsible for any inaccuracies or incomplete information they may provide.

4. What do we at Van Lanschot Kempen mean by sustainability?
In pursuing sustainable investments, we prioritize long-term value creation for all stakeholders, with a strong emphasis on preserving and growing wealth responsibly-for both our clients and society at large.

5. What do we at Van Lanschot Kempen mean by a sustainable investment?
Under SFDR, a sustainable investment contributes to environmental or social objectives with good governance. Van Lanschot Kempen classifies investments as sustainable using these criteria:

- **Equities and corporate bonds:** Companies must generate at least 20% of revenue from sustainable activities, contribute to UN SDGs, or comply with the EU Taxonomy.
- **Government bonds:** Chosen from countries excelling in environmental policies and meeting basic needs.
- **Green, Social, Impact, and Sustainability Bonds**: Finance projects with positive impacts.

Investments must avoid negative impacts and adhere to governance and exclusion criteria, such as limits on emissions and biodiversity impact. We use MSCI ESG and other analytics for compliance, focusing on environmental and social contributions. For government bonds, we rely on the Global Sustainable Competitiveness Index and the Social Progress Index. Bonds must meet standards like the ICMA green bonds standard. For third-party funds, we use their definitions, which may differ from ours.

6. What sustainability risks does Van Lanschot Kempen consider?
Van Lanschot Kempen incorporates sustainability risks into investment decisions, as these can impact investment value and returns. Key risks include:

- **Environmental:** Climate change adaptation, carbon pricing, biodiversity, water scarcity, resource crises, waste management, and hazardous substances.
- **Social:** Human and labour rights, health and safety, working conditions, diversity, product safety, supply chain standards, privacy, and community relations.
- **Governance:** Ownership structures, board effectiveness, management incentives, stakeholder management, audit quality, tax transparency, business ethics, and political instability.

7. How does Van Lanschot Kempen integrate sustainability risks into its investment decisions?
Van Lanschot Kempen Switzerland integrates ESG criteria with financial considerations by:

- **ESG criteria:** Emphasizing climate change in market assessments.
- **Diversification:** Diversifying assets across markets, sectors, and countries, with exclusions based on activity or conduct.
- **Fund management:** Selecting fund managers who integrate ESG risks, engage with companies, and adhere to the UN Principles for Responsible Investing.

8. What is the impact of sustainability risks on returns?
Sustainability risks affect returns differently across investment types:

- **Equities:** Risks can influence stock prices, dividends, and capital needs. Non-compliance with environmental standards may deter investors.
- **Fixed income:** Risks impact borrowers' cash flows and credit quality, affecting pricing.
- **Other investments:** Cash, money market instruments, and derivatives face similar risks, impacting credit quality and pricing.

9. What are the main negative impacts on the sustainability factors?
Key adverse impacts include:

- **Environmental:** Greenhouse gas emissions, fossil fuel activities, non-renewable energy use, biodiversity impacts, water emissions, and hazardous waste.
- **Social:** Violations of UN Global Compact or OECD Guidelines, gender pay gaps, diversity issues, and investments in countries with social rights violations.

For more details, please refer to the information document of your investment concept on our website: vanlanschotkempen.com/en-ch/private-banking/general-information.

10. What sustainability ratings does Portfolio Management have?

Our Smart, Index, Sustainable, and Active concepts meet Article 8's minimum sustainability criteria. Customized investment solutions may deviate from this.

Your sustainability preferences

11. Why do we ask you about your sustainability preferences?

We consider your sustainability preferences to align your investments with your values. For more information about ESG preferences and their implementation in Portfolio Management services, please refer to the SBA brochure, Guidelines for Financial Service Providers on the Integration of ESG Preferences and ESG Risks into Investment Advice and Portfolio Management,' available on our website.

12. How do we align your profile with our sustainability criteria?

We ask about your preferences in the following category:

- **Principal Adverse Impacts (PAI):** Negative impacts on people and the environment.

Your responses help to establish a personalized sustainability profile, which has to be distinguished from your risk profile.

13. Which sustainability profiles do we use?

We offer three sustainability profiles: Neutral, Aware, and Committed.

For more details, please refer to the 'Sustainability and Investment' brochure on our website. You can also request a copy from your Banker.

14. Changing your sustainability profile

You can always adjust your sustainability preferences. Please contact your Banker for more information.

Sustainability Information

15. What information do you receive from us about sustainability prior to the provision of services?

We provide a comprehensive sustainability policy for our standard investment concepts. This document, required by European legislators, outlines the sustainability level for each concept and is available on our VLK Group website, complying with Article 8 SFDR requirements.

16. What information about sustainability do you receive from us during the service?

The sustainability report offers insights into the sustainability performance of your investments, detailing how ecological or social characteristics have been met. This document is available at vanlanschotkempen.com/en-ch/private-banking/general-information.

5. Portfolio Management fees

Introduction

In this chapter you can read all about the costs associated with the Portfolio Management service. Fees affect the return on your investments. That's why it's important that you have a good overview about those costs.

General

1. What fees do you pay for Portfolio Management?

We apply an All-in-One Fee for the Portfolio Management service, along with potential internal and external transaction costs. Investment product costs, charged by the product provider, are included in the investment's return or price. Your portfolio reports provide a detailed overview of the cost components. For questions or further breakdowns, please contact us.

Costs of services (ongoing and one-off costs)

2. What management fee do you pay for Portfolio Management?

You pay an All-In-One Fee for Portfolio Management and related services, which varies based on your investment profile and portfolio assets. For a detailed overview please refer to the Schedule of Fees. This fee includes 8.1% VAT, with possible exemptions detailed in point 14 of this chapter.

3. How do we calculate the management fee you have to pay?

The management fee is based on your average assets for a calendar quarter, calculated from the asset values at the end of three months (e.g., June, July, August, for Q3). The minimum fee is CHF 1'875 per quarter, and it is subject to VAT for Swiss residents. Fees are charged quarterly. Changes to your investment profile will affect fees starting the next month.

4. Where can you see what management fee you must pay?

You can view the invoice in your digital file via Online Banking or request a hard copy. The invoice details the fee calculation and amount due, which is automatically debited from your account and reflected in your portfolio report. If you receive portfolio statements, the fee will also appear there. The fee is considered in your portfolio's net return.

5. Which costs are part of the management fee?

Please refer to our Schedule of Fees for a detailed overview of the cost components.

6. What do you still have to pay when the management of your assets stops?

If the management stops, the following charges may apply:

- All-In-One-Fee: You will pay a prorated management fee for the current quarter, calculated up to the date management ceased (end of month).
- Transaction costs: If orders were placed before termination, you'll incur applicable transaction costs.
- Portfolio transfer fee: Transferring your portfolio to another bank incurs a fee of CHF 120 (excl. VAT) per investment position. No fees apply for transfers within the Van Lanschot Kempen Group.

Internal translation costs

7. How do we settle orders in foreign currency?

Orders placed in foreign currencies are converted into the reference currency. The applicable exchange rate, determined daily, includes a spread (pips) to account for transaction risk, system costs, and a profit margin.

External transaction costs

8. What external transaction fees do you have to pay?

In addition to internal transaction fees, you may incur external transaction fees. For a detailed overview, please contact your Banker.

9. What are tax-related fees?

Below is an overview of common taxes and tax-related fees. Some foreign investments incur a transaction tax, known as Financial Transaction Tax (FTT) or Stamp Duty.

VAT

The fees in the Schedule of Fees are exclusive VAT. Please refer to point 14 for more information.

Stamp duty

A tax on investment transactions in certain countries (e.g., Switzerland, UK).

Financial transaction tax (FTT)

Applies in certain countries, subject to change; for example: 0.4% on purchases from French companies with a market cap of €1 billion or more.

10. What are trading fees?

Trading fees are costs paid to investment product developers, like investment funds, and are detailed in the fund's prospectus. Typically, these fees are included in the investment's purchase or sale price. If charged separately by the developer, we will also disclose them separately.

11. What are market spread fees?

When executing a transaction, the rate you pay is the market rate achieved. However, differences between bid and ask prices at the time of trading can lead to implicit transaction costs (spread). These are influenced by market conditions, supply and demand, and transaction size.

12. What is the swing factor?

When entering or exiting an investment fund, transaction and brokerage costs (external transaction costs) are incurred by the fund and included in the fund's price. This price is adjusted by a 'swing factor' for inflows or outflows. The swing factor's impact is included in the transaction price and is typically detailed in the fund's prospectus.

Costs of investments

13. What costs does the developer of an investment product charge?

Investment product developers charge fees, primarily for investment funds and structured products, which are included in the investment's return or price. These ongoing costs cover management, administration, accounting, and custody. They are detailed in a Key Information Document (KID). Transaction fees for buying and selling within the funds are also included. Developers must disclose all investment costs in the KID, showing total fees over the investment's life in both monetary and percentage terms.

Remaining

14. What VAT rules apply to investment services?

In Switzerland, bank services are generally subject to VAT, except for certain investment, fund, lending, and payment services. When VAT is applicable, it is charged at a standard rate of 8.1%. Swiss VAT is imposed if the service is rendered within Switzerland and, in some cases, also applies to services provided to private individuals abroad. For international transactions, the applicability of VAT is determined based on the place where the service is deemed to be supplied.

Business-to-business services

If a service is provided to a business with a VAT ID, the service location is the business's country, and that country's VAT rules apply. For example, services to a UK business follow UK VAT rules, marked as 'reverse charge' on the invoice.

Business-to-client services

If services to private clients or non-VAT-registered companies are considered to occur in Switzerland, Swiss VAT is charged.

15. What happens if we adjust the costs?

We may adjust Portfolio Management fees or their calculation at any time, notifying you at least 30 days in advance. If you disagree, you can give written notice of cancellation of the agreement.

6. Other Terms and Conditions

Introduction

This chapter outlines the classification of your investor profile and the steps to take if there are changes in your personal circumstances. It also explains how your investments are held, and the way we will communicate with each other.

Types of investors

1. What are the different types of investors?

The Financial Services Act (FinSA) categorizes investors into three types — private, professional, and institutional clients — each with different protection levels. We classify you as a 'private client,' which provides the highest level of investor protection. We gather information about your investment knowledge, experience, risk tolerance, financial position, sustainability preferences, and objectives to ensure our service is suitable for you and to manage your assets effectively. It is your responsibility to provide accurate information, as incomplete or incorrect details may impact our ability to manage your assets appropriately.

The custody and administration of your investments

When opening a portfolio, we manage and administer your investments, including the corporate actions like dividend payments, exercising rights, and handling conversions. We do not inform you about shareholder’s meetings. Investments are held with third parties which are chosen carefully; however, we are not liable for any damage.

1. Valuation of your investments

Investments are valued using the closing price of the last trading day on the official exchange. If unavailable, alternative sources are used.

2. Does a third party hold your investments on our behalf?

Investments held by third parties are deposited in our name, at your risk. We pass on any interests, dividends and payments received.

3. We may refuse to hold certain investments for you

We may refuse certain investments, such as those not aligning with our policy. If transferred before an agreement is signed, they will be returned after five days.

4. What is a class action?

A class action is a legal proceeding by a group of investors against an issuer. If a class action or similar legal procedure involves an investment you hold, we are not obligated to inform you. We are not liable for any resulting damage unless it is due to our significant error or intentional actions.

Giving and executing instructions

5. How do you give us an instruction?

Management of your assets

By agreeing, we manage your assets, making all investment decisions. Management starts within five working days after the funds have been credited.

Transferring money to your securities account

To transfer money to your securities account, ensure sufficient balance in your cash account. Instruct your Banker to transfer the desired amount. Note that transferred funds will be invested within five working days.

Withdrawing money from your wealth management account

To withdraw money from your managed portfolio, please instruct your Banker, as you cannot do it yourself. The minimum withdrawal amount is CHF 100’000. Exceptions may be made in certain cases. After withdrawal, your portfolio must meet the minimum residual value of CHF 100’000. If the remaining capital in your portfolio falls below the minimum residual value after withdrawal, we cannot continue the Portfolio Management service. We will contact you to discuss the next steps. If you submit your order by email, you assume the risks, such as potential delays in us noticing your request, which may affect the timing of your funds' availability.

6. Which instructions do we not execute?

Execution of orders

As long as we manage your assets on your behalf, you may not instruct us to buy, sell or transfer any particular investment to another account. We do not process these orders.

Transferring money to your portfolio

We will only carry out the transfer if the balance on your cash account is sufficient. We will contact you about this.

Withdrawing money from your portfolio

If you instruct us to transfer less than CHF 100’000 from your portfolio, we can refuse the transfer. It is also possible that the assignment is incomplete or unclear. In that case, we will not carry out your order. In such cases, we will contact you.

7. How do we execute instructions for you?

Management of your assets
We aim to achieve the best results for clients when executing investment transactions. The guidelines are stipulated in our Order Handling and Execution Policy in Chapter 8 of the Terms and Conditions. We may pool your transactions with those of other clients, provided that such aggregation is not expected to result in any disadvantage to you.

Transferring money to your securities account
If you transfer CHF 100'000 or more to your portfolio, we will invest it within five working days according to your chosen investment profile. Until all purchases are processed, the asset allocation may vary from the target allocation.

Withdrawing money from your securities account
To facilitate a withdrawal from your portfolio, we will liquidate the requisite investments at your cost and risk, ensuring compliance with our investment agreements. Please note that withdrawals may cause temporary deviations from the established asset allocation. In cases where withdrawal instructions are ambiguous, we may seek clarification, which could delay processing; we accept no liability for any resulting losses. While we strive to execute orders promptly, with funds generally made available within two weeks, the presence of less liquid assets may extend this timeline to several months. The withdrawn amount will be credited to your designated cash account.

Regulatory obligations
We record your instructions in writing, digitally, or both. If we suspect insider trading or market abuse, we must report it to the Swiss Financial Market Supervisory Authority (FINMA) without notifying you. We are not liable for any resulting damage.

8. How do we process instructions for you?
When investments are purchased on your behalf, they are added to your portfolio, and the corresponding cost is deducted from your current account. Conversely, when investments are sold, they are removed from your portfolio, and the sale proceeds are credited to your current account.

You authorize us to debit your current account for any applicable fees and taxes.

9. What information do you receive from us?
You will receive a detailed monthly statement on your portfolio. Daily changes can be viewed via Online Banking. Paper statements are not provided unless specifically arranged. If you notice an error, such as wrong transaction, please notify us immediately in writing. This must be done within two months after receiving our report. Otherwise, we assume your consent.

Other information

10. Responsibility
All investment activities undertaken on your behalf are conducted at your risk and expense, unless explicitly agreed otherwise. We endeavor to fulfill all obligations as set forth in these Terms and Conditions. We bear no responsibility for investment losses unless such losses result from intentional misconduct or gross negligence on our part. Should we be required to compensate a third party for damages arising in connection with your investments, you are obliged to reimburse us, provided such liability is legally confirmed. Furthermore, we are not liable for delays in the execution of orders due to system failures or market congestion, except where such delays are the result of misconduct or a gross fault on our part.

11. Scope our right of pledge
By agreeing to these Terms and Conditions, you automatically grant us the right to pledge certain assets to secure all current and future liabilities. This does not require a separate deed.

The pledge includes assets related to your investments, like new shares, dividends, or claims. You provide us with unconditional, irrevocable power of attorney to establish the pledge and agree to cooperate if necessary.

12. Information about stock market prices

We may, but are not obliged to, provide you with information on stock market prices. We assume no liability for the accuracy of such price information.

13. Can you invest with us if you are a US person?

If you are a US person, you will not be able to make use of our Portfolio Management service.

7. Characteristics and risks of investing and different investments

Introduction

In Portfolio Management, we make investment decisions on your behalf, at your expense and risk. It is important to understand these risks. Please review the fund prospectus, KIDs, and the SBA brochure for details on each investment.

You can choose between the Active, Index, Smart, and the Sustainable investment concepts. Ensure you can bear potential losses and understand the risks before investing. For more information, refer to the SBA brochure, 'Risks Involved in Trading Financial Instruments,' which outlines the risks and characteristics of various financial instruments.

General

1. What are the common risks of investing?

All investments involve risks, including:

Price risk

The potential for an investment to lose value due to factors like market performance and economic conditions. Diversification can help to mitigate this risk.

Debtor or credit risk
The risk that an issuer may default on payments or go bankrupt, affecting bonds and stocks. This risk is lower with financially stable issuers.

Currency risk
The risk of currency value fluctuations affecting investments in foreign currencies, impacting their value in euros.

Market risk
The risk of changes in the value of your investment due to economic developments and market sentiment, leading to volatility.

Interest rate risk
The risk that rising interest rates will decrease the value of investments, affecting company profits and investment returns.

Other general risks of investing
- **Liquidity risk:** Difficulty in trading an instrument due to low liquidity.
- **Political risk:** Negative impacts from government actions.
- **Inflation risk:** Decreased purchasing power of a nominal asset.
- **Reinvestment risk:** Challenges in finding attractive investment opportunities upon maturity.
- **Unforeseen situations:** Events like legislative changes or terrorist attacks affecting returns.

Characteristics and risks of money market (instruments)

2. What are the characteristics of money market investments?
At Van Lanschot Kempen, the money market is a distinct asset class used to reduce portfolio risk and temporarily hold liquidity. It includes cash, money market funds, and savings deposits. These funds can be held in various currencies, with a maximum maturity of two years.

3. What are money market risks?
- Counterparty risk: Risk of losing assets if a financial institution goes bankrupt, though the deposit guarantee scheme may offer some protection.
- Currency risk: Exposure to exchange rate fluctuations when holding assets in foreign currencies, affecting returns and the value.

4. How can you invest in money market?
Options include holdings in investment accounts or savings deposits and investments through actively or passively managed funds. The best choice depends on your individual preferences. More details on investment funds can be found under 'Characteristics and risks of mutual funds` in this chapter.

Characteristics and risks of bonds

5. What are the characteristics of bonds?
A bond is a tradable debt instrument issued by a government, agency or corporation, known as the issuer. A bond represents a loan from the investor to the issuer and is traded on the capital market. A non-complex bond has a fixed term and interest payment (coupon), paid as a percentage of the principal. The principal is repaid at the end of the term if the issuer can do so.

Additional Terms and Conditions
A bond may come with additional conditions such as:
- **Early repayment:** Allows the issuer to repay the bond earlier (call feature)
- **Caps and floors:** Establish maximum and minimum interest rates for variable-rate bonds.

Return on a bond
The following components determine the total return of a bond:
- **Coupon yield:** Interest rate paid
- **Repayment yield:** Difference between purchase and redemption prices, usually at face value (100%). Buying above 100% results in a capital loss; below 100% results in a capital gain.

6. What are the risks of bonds?

Here's an overview of risks affecting bond prices and returns, depending on the bond characteristics:

Interest rate risk

Changes in market rates do affect bond prices:

- **Positive developments:** Falling interest rates typically increase bond prices. Fixed coupon rates protect against rate drops.
- **Negative developments:** Rising interest rates usually lead to decreasing bond prices, especially for longer-term bonds with fixed rates, as they miss out on higher rates.

The interest rate risk also includes the reinvestment risk, where you may struggle to find comparable attractive investments at the same return rate when your bond matures.

Duration

The (modified) duration indicates a bond's sensitivity to interest rate changes; longer durations mean greater sensitivity.

Default risk/credit risk

This risk involves the possibility that the issuer may face financial difficulties and fail to repay the bond and pay interests. A financially stable issuer has a lower credit risk:

- **Positive developments:** A financially healthy company is likely to repay the bond and pay interest.
- **Negative developments:** A financially troubled company may struggle to repay the bond and to pay interest.

Rating risk

- **Positive:** Upgrades mean lower credit risk, potentially increasing prices.
- **Negative:** Downgrades mean increased credit risk, potentially decreasing prices.

The regulatory framework for bank recovery and resolution in Switzerland

The framework aligns with the European BRRD, ensuring financial stability and depositor protection, with FINMA overseeing resolutions.

Coupon risk

- **Positive Aspect**: Increases in the underlying reference values enhance variable coupons and overall returns, subject to any applicable cap.-
- **Negative Aspect:** Decreases in the underlying reference values reduce coupons and returns, subject to any applicable floor.

Liquidity risk

- **Positive:** Improved market conditions do ease trading conditions and improve prices.
- **Negative:** Poor conditions hinder a smooth trading and regularly lead to worse prices,

7. How can you invest in bonds?

You can invest in several ways:

- Directly buying and selling individual bonds
- Investing through mutual funds and ETFs

8. Why is the credit status (rating) important?

Credit ratings evaluate the creditworthiness of issuers. Higher ratings reflect lower credit risk and generally correspond to lower interest rates. A downgrade in rating typically results in a decline in bond prices. Ratings differ across sectors and represent assessments at a given point in time; they are not guarantees of future performance. Bonds rated Baa3/BBB- or higher are considered investment grade, while those rated below (from Ba1/BB+ to D) are classified as high-yield or junk bonds. We categorize bonds as either risk-averse (investment grade) or risk-bearing (high yield). Changes in credit ratings may lead to reclassification of bonds, impacting portfolio composition.

9. Complex and non-complex bonds

Van Lanschot Kempen distinguishes between complex and non-complex bonds. Complex bonds, which are becoming more common, have structures that react differently to market changes, providing investors with opportunities for more active engagement.

Non-complex bonds

Fixed bonds

- **Features:** Fixed term and interest (coupon) paid semi-/annually. Principal repaid at term's end.
- **Risks:** Longer terms increase the interest rate sensitivity. Credit risk is higher with less financially sound issuers.

Covered bonds

- **Features:** Issued by banks with collateral like mortgages or public loans, often rated higher than the bank itself.
- **Risks:** Longer terms increase interest rate sensitivity. Credit risk is lower due to the collateralization.

Floating rate notes

- **Features:** Coupon linked to short-term rates (e.g., 3- or 6-month Euribor), adjusted periodically.
- **Risks:** Limited interest rate risk due to periodic adjustments. Credit risk is identical to normal bonds.

Complex or non-complex floating rate notes

- **Non-Complex:** Fixed interest rate formula, non-convertibility, fixed finite term, no subordination.
- **Complex:** Lacks one or more of these properties.

Inflation-linked bonds

- **Features:** Coupon payments and principal are tied to a consumer price index. They offer lower nominal interest rates than regular bonds but compensate for inflation.
- **Risks:** Inflation-Linked Bonds (ILBs) tend to preserve their value when nominal interest rates increase due to rising inflation expectations but may decline in value if nominal rates rise for other reasons. In general, ample supply and demand help to mitigate liquidity risk

Complex vs. non-complex inflation-linked bonds?

- **Non-complex:** Finite term, no subordination, normal coupon with inflation adjustment.
- **Complex:** Lacks one or more of these characteristics.

Complex bonds

Examples of complex bonds are high-yield bonds, foreign exchange bonds, perpetuals, and convertible bonds. For more details, refer to the SBA Brochure “Risks Involved in Trading Financial Instruments” to be found on vanlanschotkempen.com/en-ch/private-banking/general-information.

Characteristics and risks of stocks

10. What are the characteristics of stocks?

A share represents an ownership in a company, with no end date. Shares may or may not be listed on a stock exchange; unlisted shares are considered complex. Shareholders typically receive dividend distributions and can participate in shareholder meetings.

11. What are the risks of stocks?

Stocks carry various risks, with the potential to lose your entire investment.

Price risk

- **Positive developments:** If a company performs well, stock prices may rise.
- **Negative developments:** Poor performance can lead to falling stock prices, potentially to zero if the company goes bankrupt. Dividend payments can also affect prices, with shares typically dropping by the dividend amount on the ex-dividend date.

Market risk

- **Positive developments:** Positive market news generally boosts stock prices.
- **Negative developments:** Negative news can cause stock prices to fall, whether related to the company or broader market conditions.

Stock price volatility varies by company, influenced by:

- **Sector:** Specific market developments do impact sectors differently, such as retail or utilities.
- **Cyclic/Non-cyclic:** Cyclical companies are more affected by economic cycles than non-cyclical ones.
- **Region:** The regional focus impacts performance due to economic, political, and cultural factors.

Liquidity risk

Some stocks may be difficult to buy or sell due to low supply and/or demand.

- **Positive developments:** Improved supply and demand can ease trading and lead to better prices. Large volumes can increase the price.
- **Negative developments:** Reduced supply and demand make trading difficult, potentially leading to unfavourable prices. Large volumes can decrease the price.

Interest rate risk

Changes in market rates affect stock prices.

- **Positive developments:** Falling interest rates typically boost stock valuations.
- **Negative developments:** Rising interest rates usually lower stock prices, making dividends less attractive and increasing the borrowing costs for a company.

Dividend risk

Dividend policies impact stock prices.

- **Positive developments:** An increase or stability in dividend payments signals profitability and management's confidence in future prospects, which can support or enhance stock prices.
- **Negative developments:** Dividend reductions may signal decreased confidence or constrained financial flexibility, potentially triggering adverse market reactions, particularly when investors have anticipated stable dividend payments.

12. How can you invest in stocks?

You can invest in several ways:

- Directly buying and selling individual shares
- Investing in equities through actively managed mutual funds
- Investing in equities through passively managed mutual funds

13. Complex and non-complex stocks

- **Non-complex shares:** Regular listed stocks are non-complex.
- **Complex stocks:** Complex stocks include preferred stocks and those traded on alternative platforms.

14. What are characteristics of mutual funds?

A mutual fund pools investors' money to invest in a diversified portfolio of financial instruments, managed by professionals. This diversification reduces risk and allows access to less accessible markets. We select funds through extensive analysis.

Differences Between Mutual Funds and Individual Investments

- Funds follow specific investment guidelines.
- Managed by professionals, offering diversification.
- Expert access to markets that may otherwise be difficult to reach

Share classes

Funds may offer different share classes to suit investor preferences in terms of currency or dividend distribution. Private clients typically invest into the retail share class. For Portfolio Management institutional classes may be available.

Trading in mutual funds

Funds may be bought and sold through various methods. Certain funds utilize an auction system, wherein orders submitted before a specified cutoff time are executed the following day at a single price, known as the net asset value (NAV). Trading fees may apply and could be charged separately. The NAV is calculated based on closing market prices and is published daily by the fund manager. Some funds, however, trade less frequently, such as on a monthly or annual basis. Funds that do not operate under an auction system are traded on exchanges in accordance with our Order Execution Policy, as outlined in Chapter 8 of the Terms and Conditions.

Dividend

Some investment funds are structured as public or private limited companies. These funds offer the option to reinvest dividends (into new shares). You can choose to receive dividends in cash or as stock. If you prefer to reinvest the proceeds, please instruct us accordingly.

Types of mutual funds

- **Open-end vs. closed-end:** Closed-end funds cannot issue new shares after their launch and are traded on the secondary market, with prices determined by supply and demand. Open-end funds must sell and repurchase units at their net asset value, typically trading once a day.
- **Fund of funds:** These invest in other mutual funds, incurring management fees from both the fund of funds and the underlying funds, leading to potentially higher total costs.
- **Active vs. passive funds:** Active funds aim to outperform a market index. Passive funds, like index funds, aim to replicate the index's performance, generally incurring lower costs.
- **Index funds and ETFs:** Both are passive funds with typically lower management fees. Index funds are priced once a day (NAV), while ETFs can be traded throughout the day as they are listed on a stock exchange. For more details, please refer to the SBA Brochure “Risks Involved in Trading Financial Instruments” to be found on vanlanschotkempen.com/en-ch/private-banking/general-information.

15. What are mutual fund risks?

Investment funds share the same risks as other investments, depending on their asset composition. Due to diversification, their price volatility is generally lower compared to individual stocks or bonds. Risks depend on the underlying assets and the fund's investment strategy.

- **Sector sensitivity:** A fund which is heavily invested in a specific sector, like energy, will benefit more from positive sector developments but also suffer more from negative ones.
- **Regional sensitivity:** Similarly, a fund with significant investments in a particular region will be more affected by regional economic changes.

16. How can you invest in mutual funds?

You can invest in mutual funds in various ways:

- **Actively managed mutual funds:** Invest in instruments with a defined policy, focusing on regions, sectors, or strategies to potentially outperform a benchmark.
- **Passively managed mutual funds:** Track an index to match its returns, typically with lower management fees.

17. Complex and non-complex funds

- **Non-complex funds:** Open-end investment funds (UCITS), ETFs and index funds with a 'straightforward' investment policy are non-complex. This classification typically means they are easier to understand and invest in, as they follow clear and transparent investment strategies.
- **Complex funds:** Complex investment funds are characterized by features such as the use of derivatives, leverage, illiquid or difficult-to-value assets, non-standard redemption terms, or opaque investment strategies, rendering them challenging for retail investors to fully comprehend or evaluate. These funds generally require regulatory appropriateness assessments and are typically designed for experienced or institutional investors.

Other types of investment

18. Alternative investments

The Alternative Investments category encompasses hedge funds, private equity, private debt, commodities, and real estate. These investments are generally less liquid and may require long-term capital commitments, particularly in the case of private equity. As such, they are not appropriate for investors who require immediate access to their funds. Nevertheless, alternative investments can contribute to improved portfolio diversification and may enhance returns while helping to reduce overall portfolio risk.

Alternative investments are complex. Understanding their characteristics and risks is crucial. We conduct thorough research and only include funds that meet our standards. For more details, refer to the SBA Brochure “Risks Involved in Trading Financial Instruments” to be found on vanlanschotkempen.com/en-ch/private-banking/general-information.
Discuss with your Banker whether these investments suit your portfolio.

19. Other investments

Beyond the investments discussed, many other types do exist which come with unique characteristics and risks. It's crucial to understand these products before investing. For complex investments, please refer to our Complex Investment Guide and the essential information document available on our website.

To fully grasp the characteristics and risks, please review specific documents like the prospectus, the Key Information Document (KID), and factsheet

8. Investment policy documents

Introduction

The following chapter focuses on policies in general, and our order execution policy in particular. You will also learn about the measures we take to manage potential conflicts of interest.

General

1. Why are policy documents important to you?

Our Best Execution and Order Handling Policy is intended to secure the best possible outcomes for your orders. Furthermore, our Conflict-of-Interest Policy is established to mitigate potential conflicts, thereby ensuring that your interests remain our primary priority.

2. Where can I find the current version of the policy documents?

We regularly review whether our policy documents and other procedures and instructions still meet our requirements. If we find it necessary, we will amend the policy documents. You will be informed about significant changes. The current version of this document is available on our website at vanlanschotkempen.com/en-ch/private-banking/general-information.

Best Execution and Order Handling Policy

1. How do we execute orders for you?

We manage your assets, executing all purchases and sales according to our Best Execution and Order Handling Policy. This applies to orders we execute directly via VLK or pass on to third parties, whose policies we review beforehand.

2. Which orders are subject to the Best Execution and Order Handling Policy?

The Best Execution and Order Handling Policy covers all types of orders for your portfolio.

3. Which investments are subject to Best Execution and Order Handling Policy?

The Best Execution and Order Handling Policy applies to all orders in the securities listed below.

- Shares and related instruments
- Exchange-traded investment funds
- Unlisted mutual funds
- Bonds and other tradeable debt instruments
- Structured products
- Derivatives

4. What factors do we consider ensuring the best result?

To achieve the best results for our clients, we consider factors like price, execution costs, speed, probability of execution and settlement, and the order's size and nature. The importance of each factor varies based on the order's characteristics, investment type, and execution venue.

5. Which third party (broker) have we selected?

We have selected brokers for various investments, such as stocks and derivatives, to handle your orders. Your (digital) transaction statement will show the execution venue or 'broker.' For specific details, please contact your Banker.

Conflicts of interest

6. When does a conflict of interest arise?

We have regulations to prevent:

- Mixing business and personal interests
- Conflicts between company and client interests
- Prioritizing one client group over another
- Conflicts from operating the same business as a client
- Receiving inducement fees from third parties

7. What do we do to manage conflicts of interest?

Managing conflicts of interest is crucial for maintaining Van Lanschot Kempen Switzerland's integrity and reputation. We identify and address potential conflicts through organizational, administrative, and physical measures.

Measures include:

- A General Code of Conduct and other regulations
- A conflict-of-interest organization chart and register
- Organizational, administrative, and physical controls

We manage conflicts by setting a strong corporate culture and providing education and training to increase awareness.

8. What happens if we can't prevent a conflict of interest?

Where it is not possible to prevent conflicts of interest, Van Lanschot Kempen Switzerland will disclose these conflicts of interest to you or potential clients.

9. Is there a conflict of interest if we invest in in-house funds on your behalf?

With this agreement, you allow us to invest in in-house funds. To prevent conflicts of interest, we are applying the same criteria to in-house and third-party funds. The in-house funds are subject to regular monitoring and will be replaced when deemed necessary.

10. Can you have a conflict of interest yourself?

While providing services, we may offer minor non-monetary benefits permissible by law, such as:

- Gifts and entertainment within Van Lanschot Kempen's policy limits
- Standard advertising material (excluding research-related material)
- Conferences, seminars, and events organized by us or at third-party events
- Other minor non-monetary benefits allowed by law.

Appendix 1. Glossary

Concepts	Explanation
Discretionary management	Making investment decisions on your behalf and risk.
Investment(s)	All financial instruments.
Stock exchange	Regulated market
KID	Key information document. In the KID, you can see the total costs that will be incurred over the lifetime of the investment.
Financial instruments	The types of instruments mentioned in Article 3 of the Swiss Financial Services Act (FinSA), such as shares, bonds, units in collective investment schemes and options.
Leverage	a. Investing with borrowed money or b. the characteristic that the price of the investment rises relatively higher or falls lower than the underlying asset, for example in the case of an option. In both cases, price fluctuations of the underlying asset can lead to relatively larger gains or losses when investing in the derivative instrument than when investing directly in the underlying asset.
Per-share value (NAV)	Determined by dividing an investment fund's equity (share capital plus reserves) by the number of outstanding holdings in that investment fund.
FinSA	The Swiss Financial Services Act (FinSA) entered into force in January 2020. FinSA mainly governs the provision of financial services as well as the offering of financial instruments and is intended to strengthen investor protection.
FinSO	The Federal Financial Services Ordinance
FINMA Circular 2025/2	The FINMA Circular aims to present FINMA's interpretation and practice in implementing code of conduct duties under FinSA and FinSO.
CISA	The Collective Investment Schemes Act (CISA) regulates collective investment schemes such as mutual funds, hedge funds and other pooled investment vehicles.
ESG Guidelines of the SBA	Guidelines of the Swiss Bankers Association (SBA) for the financial service providers on the integration of ESG-preferences and ESG risks into investment advice and Portfolio Management.
Brochure of the SBA	The brochure 'Risks Involved in Trading Financial Instruments' provides general information about typical financial services and describes the characteristics and risks of financial instruments.

Appendix 2. Factsheet on the Deposit Insurance Scheme (DIS)

Basic information on asset protection

Assets held with Van Lanschot Kempen (Schweiz) AG are protected by
The Swiss statutory Deposit Insurance Scheme, administered by Esisuisse.

Limit of protection
The limit is CHF 100,000 per account holder per bank. Your bank uses the following brand names: Van Lanschot Kempen (Schweiz) AG

If you have more than one account with the same bank
All your balances with the same bank will be added together. The CHF 100,000 limit will be applied to the total.

If you have a joint account with another person(s)
The CHF 100,000 limit applies to each account holder individually.

Period for repayment if a bank can no longer meet its obligations
Immediately (in practice within 30 business days)

Currency of reimbursement
CHF

Contact
Esisuisse

Centralplatz 12

4051 Basel

Switzerland

E-mail: info@esisuisse.ch

More information: www.esisuisse.ch

Telephone

Available on weekdays from 9:00 a.m. to 5:00 p.m.

From abroad: + 41 61 206 92 92

Additional Important Information
In general, all private account holders and companies are covered by the Deposit Insurance Scheme. Please refer to the website of the responsible Deposit Insurance Scheme for any details.

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