

Segmentation according to FinSA

Financial service providers are required to allocate each customer to the retail client, professional client or institutional client segment.

1. Institutional client

The following customers are considered institutional clients:

- a) Financial intermediaries under the Banking Act, Financial Institutions Act or Collective Investment Schemes Act
- b) Insurance companies under the Insurance Supervision Act
- c) Foreign customers subject to prudential supervision
- d) Central banks
- e) National and supranational public law corporations with a professional treasury

Institutional clients can apply in writing to be resegmented as professional clients (opting in).

2. Professional client

The following customers are considered professional clients:

- a) Public law corporations with a professional treasury
- b) Pension funds and institutions serving occupational pension provision, with a professional treasury
- c) Companies with a professional treasury
- d) Large companies (two of the following values must be exceeded:
(i) total assets of CHF 20 million (ii) revenue of CHF 40 million or (iii) equity of CHF 2 million)
- e) Private investment structures for wealthy retail clients with a professional treasury
- f) Swiss collective investment schemes and their management companies
- g) Foreign collective investment schemes and their management companies

Professional clients can apply in writing to be resegmented as retail clients (opting in).

The professional clients under letters b, c, f and g can apply in writing to be resegmented as institutional clients (opting out).

A professional treasury is deemed to exist if the management of the customer's financial resources is carried out on a permanent basis by at least one professionally qualified person experienced in the financial sector.

3. Retail client

All customers who cannot be assigned to any of the customer categories listed under sections 1 and 2 are considered retail clients.

Wealthy retail clients and private investment structures set up for them can apply in writing to be resegmented as professional clients (opting out).

Customers are considered wealthy if they have either i) the necessary knowledge to understand investment risks and at least CHF 500,000 in assets, or ii) at least CHF 2 million in assets.

4. The impact of customer segmentation

| | Retail clients | Professional clients | Institutional clients | Specific features |
|--|------------------|----------------------|-----------------------|--|
| Performance of an adequacy or suitability test | Yes ² | Yes ^{1/2} | No | <p>¹ Limited adequacy and suitability test: In the case of professional clients, there is a general assumption that they possess the requisite knowledge and experience, and that investment risks are financially viable. In order to ensure comprehensive financial advice, Baloise Asset Management Ltd continues to enquire about customers' financial situation in addition to their investment objectives.</p> <p>² An appropriateness and suitability test is not required for execution-only transactions.</p> |
| Documentation of the personally recommended financial service (needs and reasons) and the associated risks and costs | Yes ¹ | Yes ^{1/2} | No | <p>¹ The scope of our documentation obligations depends on the financial service provided to you.</p> <p>² Documentation is not required for professional clients.</p> |
| Customer has access to funds for qualified investors in accordance with the revised Collective Investment Schemes Act (CISA) | No ¹ | Yes ² | Yes | <p>¹ Retail clients who have a permanent asset management or investment advisory mandate are classified as qualified investors under the CISA to the extent of these services, and may acquire funds for qualified investors. The classification according to FinSA remains retail client.</p> <p>² Professional clients according to FinSA are automatically qualified investors under the CISA.</p> |
| A key information document (KID) is provided depending on the provided financial service | Yes | No | No | |
| A prospectus is provided on request depending on the provided financial service | Yes | No | No | |
| We are committed to ensuring best execution when processing your orders | Yes ¹ | Yes ¹ | No | <p>¹ If Baloise Asset Management Ltd acts as an external asset manager, it is not subject to the regulatory best execution obligation. Nevertheless, we always strive to achieve the best result for you.</p> |