Your Investor Profile

The foundation of our advice

Your Investor Profile is your key to success

Our comprehensive understanding of your personal situation and financial goals provides us with the basis for our advisory and discretionary services. We reach this understanding by defining your personalized Investor Profile together with you. Based on your Investor Profile, we apply an investment strategy that corresponds to your goals and underpins our ability to propose suitable products and services to you.

Defining your Investor Profile is key in enabling us to act in your best interest. We take our responsibility very seriously and actively enlist your help in gathering all the relevant information for us to consider when we provide you with advice.

We define your Investor Profile in four stages:

– Your financial situation provides us with a holistic view of your risk ability, i.e. your capacity to take financial risk without putting your current lifestyle or future plans at risk.
– Your investment objectives allow us to understand your financial goals, your sustainability preference, and how much risk you are willing to take to achieve the return you aim for, i.e., they define your risk tolerance.
– Our assessment compares your risk tolerance with your risk ability to ensure that the products and services we recommend to you meet your investment objectives and take into account your ability to bear any potential financial losses.
– Your knowledge and experience is an important additional factor when providing you with investment advice and ensuring that you can make informed decisions.

When establishing your Investor Profile, it is crucial to have current, accurate and complete information. The more accurate and complete the information is that you provide us, the better we are able to tailor our advice to suit your specific goals.

Please do not forget to update us regularly should your personal or financial situation change as this may impact your ability to bear financial risk or alter your investment objectives. At the same time this will ensure that we provide you with the best possible advice in relation to your financial goals.

Should you be interested in a joint account we will create a single Investor Profile that combines the information from all account holders. That means we will assess the financial situation that represents your joint assets and your joint investment objectives.

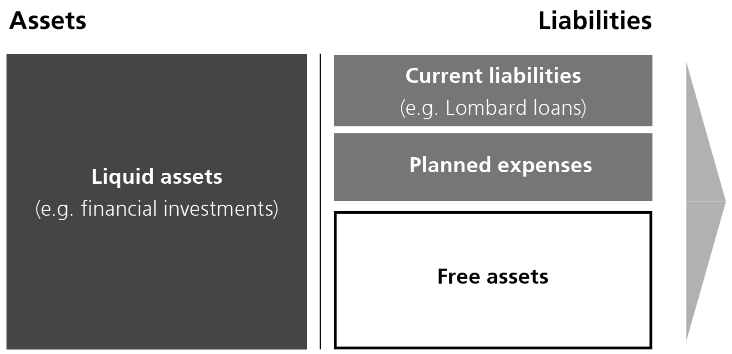
Your financial situation

We use the detailed information that you supply to form a holistic view of your financial situation, taking your personal circumstances into account (e.g., family, employment situation or liquidity needs). Your financial situation also includes details about all your assets and liabilities as well as your income and expenses. This information is important to us and helps us to ensure that our recommendations are in line with your financial situation. Based on the information you provide we can determine your ability to absorb potential losses (also called loss capacity) – in other words, how well you can bear any potential losses in your investments.

Your free assets
Your ability to absorb any potential financial losses is represented by your free assets. These are the assets that allow you to take financial risk as they are not tied to any liabilities or planned expenses and are available to you at any point in time.

Your free asset ratio
Your free asset ratio corresponds to the share of your free assets compared to your total net assets (i.e. the money and liquid investments you own after considering any liabilities you may have and that may have to be paid from your assets in the foreseeable future).

Your loss capacity
If all of your assets are held with us, we deem that all your free assets are able to absorb potential losses from investments with us. This represents your total loss capacity. However, if you have investments with several banks, we can only consider the loss capacity of the banking relationship you have with us. We do that by taking your overall free asset ratio and applying it to the net assets that we hold for you.



Your liquid assets	5,000,000
- Your current liabilities	1,000,000
Your net liquid assets	**4,000,000**
- Your planned expenses	400,000
Your free assets	**3,600,000**

Your free asset ratio
(Free assets/net liquid assets)

90%

In case you have 2mio of your assets with UBS:

Your net assets with UBS	2,000,000
*Your free asset ratio	90%
Your loss capacity with UBS	**1,800,000**

Your investment objectives

What are your financial goals? Do you want to build up reserves for retirement or for a planned, larger expenditure? Other typical reasons to invest could include growing or preserving your wealth. Ultimately, the purpose of your investments can influence how much risk you are willing to take (risk tolerance) and therefore, impact your investment strategy. Also, if you have more than one financial goal, it might be sensible to set up different portfolios for your assets and manage them separately.

Investment horizon
The investment horizon defines the period of time during which you want to invest. It is important for us to understand how long you want to stay invested. Based on historical data we compare your investment horizon with the time it takes to offset short-term losses and fluctuations of the expected returns of your investments. You may have a different investment horizon for different financial goals, so we consider your investment horizon for each portfolio separately. Please note that past performance is not a reliable indicator of future results.

Under identical conditions, you can make riskier investments if you have a longer investment horizon – i.e., you may choose investments with generally larger fluctuations (higher volatility) – as riskier investments suffer more in market stress scenarios and can take longer to recover. On the other hand, you can make low-risk investments if you have a shorter investment horizon as such investments tend to require a shorter recovery time.

Risk tolerance
You determine a risk tolerance for each of your investment objectives or portfolios, i.e., how much risk are you willing to accept in pursuit of your expected return. We use six different model investment strategies to reflect a broad spectrum of risk tolerance levels, ranging from A (very low risk tolerance) to F (high risk tolerance). In addition to providing you with an adequate risk/return profile, the six model investment strategies also provide you with a more intuitive way of understanding the risk related to financial investments. This is explained in more detail in the next section.

Sustainability preference
You characterize if and to what extent you want to mobilize capital towards sustainable investments. For each portfolio, you can define your sustainability preferences according to the EU regulatory standards and according to the UBS methodology. You can decide on the minimum proportion of your portfolio that you would like to invest sustainably, and you can decide whether you want to avoid investing in companies which are particularly harmful to the environment or society.

Model investment strategies

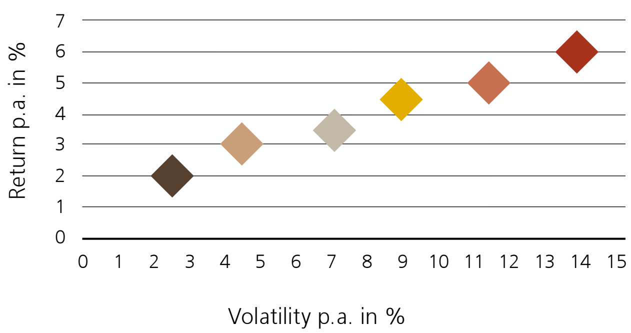
For many investors, "investment risk" is an abstract concept. To give a more intuitive understanding of risk, the UBS Chief Investment Office (CIO) has developed model investment strategies. These are based on portfolios with broadly diversified investments, distributed across different levels of risk tolerance and each one corresponds to a typical risk/return profile. These model investment strategies form the basis of defining an adequate risk/return trade-off and also serve as the basis of investment services we provide to you.

Risk/return profile
Depending on the return you want to achieve, you have to accept a certain amount of risk. The risk/return profiles for each risk tolerance give you an idea of the risk you can expect for a certain targeted return – or alternatively, the return for a defined risk. These figures are based on the corresponding model investment strategies and incorporate both historical data as well as our CIO's market expectations.

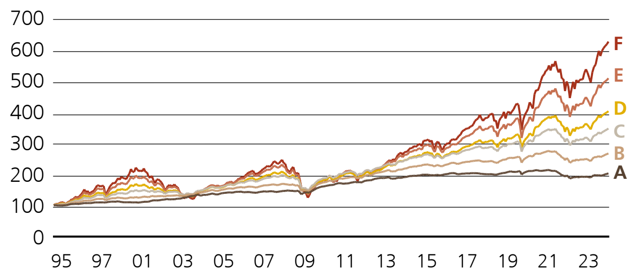
The risk/return profile is geared towards market risk – the risk that results from price fluctuations of financial investments on the markets. Depending on your specific investments, other risks are also relevant and should be considered; your client advisor will be happy to explain these risks to you and to help you take them into account.

Historical performance
Our simulation shows the historical performance of the model investment strategies for different risk/return profiles. You not only see the positive developments during upward-trends of the financial markets, but also the impact of market turbulence as well as the time it took to recover from it. This will help you to get an impression of the risk inherent in different levels of risk tolerance.

Expected annual return and volatility[1]
Approximate values



Historical performance since 1995[1]
Net asset value in %



A–Fixed Income | B–Income | C–Yield | D–Balance | E–Growth | F–Equity

[1]For illustrative purposes only

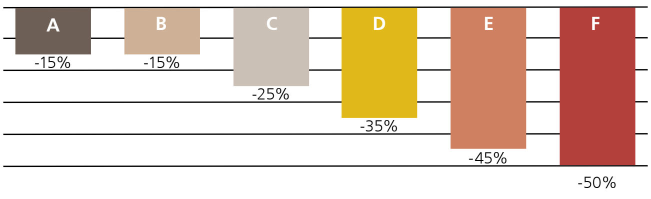
Stress tests: level and duration of historical losses
Our stress tests are simulations based on historical periods of financial market turmoil – for example, the financial crisis between 2007 and 2009. These stress tests show what the impact on the model investment strategies with particular risk/return profiles might have been under such a scenario.

You can also see the highest relative loss in value over the entire period of observation. What we understand by this is the greatest possible loss that would have been incurred historically in a worst-case scenario, and which would have resulted if the investments had been bought and sold at the worst possible time. This is called the maximum historical drawdown.

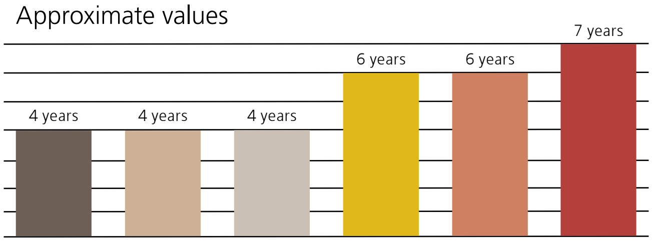
However, the size of a potential loss during a period of market turbulence is only one factor to consider. Historically, if you were a disciplined investor and able to hold on to your investments during a stress scenario, your investments would have recovered. Therefore, the key figures of the model investment strategies also indicate how long it would have taken from the beginning of a stress scenario until the loss had been recovered in a model investment strategy ("time under water"). That means the simulations show how much time is needed to overcome short-term losses and fluctuations in value depending on your risk tolerance. Considering the most turbulent times over recent historic stress scenarios, the most severe of these periods is then called the longest period of a historical drawdown.

As a basic rule, the higher your risk tolerance, the higher your expected return. However, this means that fluctuations are likely to be higher as well. You may suffer more during financial market turbulence and require more time to recover from associated losses.

Maximum historical drawdown
Portfolio return in %, approximate values



Longest period of a historical drawdown
Approximate values



Historical stress tests show investment risk since 1995[1]
Maximum value loss of the portfolio in % and time under water in years and months

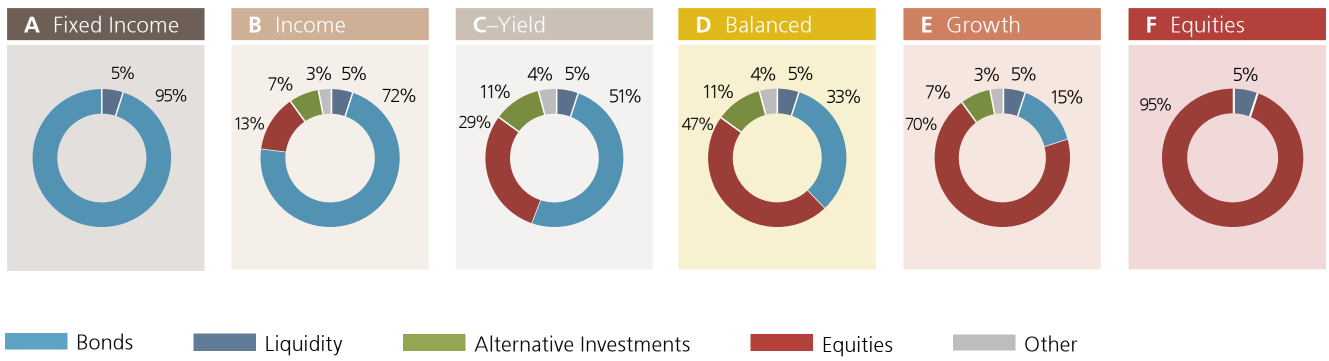
	A Fixed Income	B Income	C–Yield	D Balanced	E Growth	F Equities
Event	**Interest Rate Hikes**	**Financial Crisis**	**Financial Crisis**	**Financial Crisis**	**Financial Crisis**	**Financial Crisis**
Observation period	31.08.21–30.06.22	30.05.08–27.02.09	30.05.08–27.02.09	30.05.08–27.02.09	30.05.08–27.02.09	30.05.08–27.02.09
Highest relative loss in value	**- 10%**	**- 13%**	**- 22%**	**- 29%**	**- 37%**	**- 43%**
Time under water	Ongoing	1 year 5 months	1 year 11 months	2 years 8 months	3 years 0 months	4 years 9 months
Event	**COVID-19 Pandemic**	**Interest Rate Hikes**	**Interest Rate Hikes**	**COVID-19 Pandemic**	**Dot-Com Bubble**	**Dot-Com Bubble**
Observation period	31.10.20–31.03.20	31.08.21–30.06.22	31.08.21–30.06.22	31.10.20–31.03.20	31.08.00–30.03.01	31.08.00–30.03.01
Highest relative loss in value	**- 5%**	**- 11%**	**- 12%**	**- 13%**	**- 16%**	**- 22%**
Time under water	0 years 6 months	Ongoing	3 years 1 month	0 years 7 months	5 years 5 months	6 years 4 months
Event	**Financial Crisis**	**COVID-19 Pandemic**	**COVID-19 Pandemic**	**Interest Rate Hikes**	**COVID-19 Pandemic**	**COVID-19 Pandemic**
Observation period	30.05.08–27.02.09	31.10.20–31.03.20	31.10.20–31.03.20	31.08.21–30.06.22	31.10.20–31.03.20	31.10.20–31.03.20
Highest relative loss in value	**- 4%**	**- 8%**	**- 11%**	**- 13%**	**- 16%**	**- 19%**
Time under water	1 years 1 months	0 years 6 months	0 years 7 months	2 years 7 month	0 years 7 months	0 years 7 months

[1]For illustrative purposes only

Strategic asset allocations
Our model investment strategies are based on typical strategic asset allocations and weight the asset classes according to different levels of risk tolerance. In the long-term, the strategic asset allocation is the most important driver of a portfolio's performance. They are characterized by optimal, long-term target allocations and also take appropriate diversification into account: The broad diversification of investments absorbs contrary developments that affect different asset classes, sectors, markets, regions and so forth. A highly diversified portfolio has lower overall risk, while at the same time offering greater return opportunities than a portfolio with weak diversification that is concentrated on fewer investments. The higher the equity component of the strategic asset allocation, the higher the return potential – but also the higher the possible fluctuations in value.

Strategic asset allocation

For illustrative purpose only



Our assessment of your Investor Profile

After having gained an understanding of your loss capacity – your ability to absorb potential financial losses – and determining your risk tolerance for each of your investment objectives or portfolios – your willingness to take financial risk – we need to ensure that we do not recommend any products or services to you which carry more financial risk than you would be able and willing to bear in a worst-case scenario.

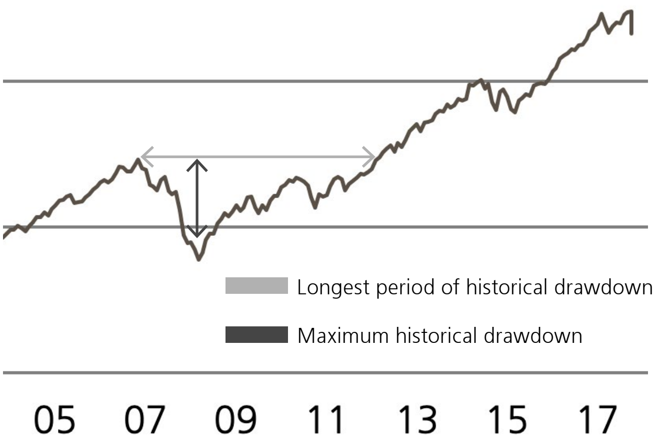
Risk budget
As explained earlier, each risk tolerance level is characterized by a maximum historical drawdown based on our model investment strategies. Combined with the amount you want to invest in a particular portfolio, we calculate the risk budget applicable for that portfolio, i.e. the potential drawdown in a worst-case scenario if history were to repeat itself.

Investment Amount	Risk Tolerance	Maximum historical drawdown	Risk Budget
1,000,000	C–Moderate	25%	250,000

Aggregation
If you hold more than one portfolio with us, we calculate the total risk budget for your investments by adding up the risk budgets across all of your portfolios. This provides you with the potential drawdown you may suffer if you allocate your funds into different portfolios as you indicated in your investment objectives. Please note that while past performance is not a reliable indicator of future results, our assumptions are quite conservative, i.e., we suppose that all of your assets suffered at the same time while in reality, different asset classes react differently depending on the market situation, hence the benefit of diversification.

Lombard loans for reinvestment
Keep in mind that if you are considering Lombard loans to leverage your investments, your investment risk and corresponding total risk budget will be higher as you have invested more money. We will also consider this in our assessment.

Assessment result
Having determined your loss capacity as well as your total risk budget, we can now compare them. As long as your risk budget is below your loss capacity, the financial risk you want to take is in line with your financial situation and potential drawdowns would not put your lifestyle or future plans at risk.



Investment horizon
As highlighted above, even a substantial drawdown during a financial crisis has historically recovered over a certain period of time. That is why it is important to have a sufficiently long investment horizon for each of your portfolios, depending on your selected risk tolerance. Comparing it with the longest period of a historical drawdown in the corresponding model investment strategy ensures that you have the time to recover from such a stress scenario, based on historical data.

Sustainability preference

Sustainable investing is a way of investing for the returns you expect while staying true to your values. You may care about a cause, want to drive environmental and social change, or influence how a company or country conducts itself. Sustainable investing is becoming ever more important among investors. At UBS, we understand that you may have preferences regarding the extent to which you want your investments to consider sustainability factors. Perhaps you would like to use these considerations as a secondary feature or maybe even as a core focus. Our aim is to provide the relevant advice, solutions, and transparency to support you in achieving your sustainability goals. We have a dedicated offering that enables you to incorporate sustainable investments in your portfolios according to your sustainability preference.

What is the impact for you?

Consideration of your sustainability preference
You can define your sustainability preferences according to EU regulatory standards and/or the UBS methodology*. You can decide what minimum proportion of your investments in your portfolio you would like to invest sustainably. You can choose one of three sustainability preferences:

- "No preference", where you do not actively pursue sustainable investment exposure;
- "Low", where you would like to see some exposure but not necessarily as a primary consideration; and
- "High", where you would like to see sustainable investments as a more significant overall allocation.

You can also decide whether you want to avoid investing in companies which are particularly harmful to the environment or society by selecting Principal Adverse Impacts*.

We compare the proportion of sustainable investments in your portfolio against your selected sustainability preference and consider your selected Principal Adverse Impacts. The result is incorporated in our assessment together with your investment objectives when providing investment recommendations to you.

If you have defined a minimum proportion of sustainable investments but you express an explicit interest in a certain non-sustainable instrument, or if no instruments with sustainability ratings are available to improve your portfolio, UBS may recommend non-sustainable instruments after consultation with you.

If sustainability has significant importance to you and you want to focus on sustainability topics on a more granular level, UBS can provide you with bespoke advised and discretionary offerings. Your client advisor will be happy to provide you with information on more specific offerings.

* These are described on the next page

The EU regulatory landscape of sustainable investing
The EU regulatory landscape includes, amongst others, the regulations described below. You can define your sustainability preferences according to these regulations. Your choice impacts the variety of offerings and investments that are available for your portfolio.

The *Sustainable Finance Disclosure Regulation* (SFDR) aims to improve transparency in the market for sustainable investment products and to prevent greenwashing (i.e., the misrepresentation of the extent to which a product is environmentally friendly). It does this by imposing disclosure requirements on sustainable investment products (i.e., those issued by companies or investment vehicles such as mutual funds) that contribute to an environmental or a social objective, that do not significantly harm any of those objectives and, at the same time, the investee company follows good governance practices.

Principal Adverse Impacts as defined under SFDR are indicators of significant adverse impacts of companies in the areas of environmental, social and employee, anti-corruption and anti-bribery matters as well as human rights concerns.

The *EU Taxonomy* is a green classification system that establishes a list of environmentally sustainable economic activities. It translates the EU's climate and environmental objectives into specific economic activity criteria for investment purposes. It aims to provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable, meaning those economic activities which make a substantial contribution to at least one of the EU's climate and environmental objectives while at the same time, not significantly harming any of those objectives and meeting minimum social safeguards. At present, only parts of this regulation are in force and only larger EU companies are required to report what proportions of environmentally sustainable economic activities they participate in.

Sustainability according to the UBS methodology
You also can define your sustainability preference according to the UBS methodology. Your choice impacts the variety of offerings and investments that are available for your portfolio.

For direct investments such as equities and bonds, we combine leading external research with internal expertise to identify companies that manage environmental and social factors and risks better than others or sell products or services that tackle explicit environmental or social challenges.

For investment funds, UBS assesses the extent to which the fund manager considers environmental, social and governance factors in their investment decisions and/or engages in active ownership. This is an assessment of the fund manager's intentions and investment processes; their actual investments are not analyzed.

Why do the different methodologies use different minimum proportions?
Financial products classified as sustainable according to SFDR can define a minimum percentage to be invested in sustainable investments with environmental or social objectives (up to 100%). This percentage is considered when calculating the proportion of sustainable investments in your portfolio.

The comparatively low figures under EU Taxonomy are due to the application of the regulation only for larger companies within the EU. Smaller companies within the EU and all companies outside of the EU may only qualify as sustainable if they voluntarily disclose what proportions of environmentally sustainable economic activities they participate in.

According to the UBS methodology, financial instruments are either classified as sustainable or not sustainable. Hence, the proportion of sustainable instruments on a portfolio level tends to be higher compared to SFDR and the EU Taxonomy.

As a result, it is possible to have different sustainability proportions for the very same portfolio of investments based on the different methodologies and their scope. The minimum proportions we provide to choose from have been tailored to the specific characteristics of each methodology. Further information on the minimum proportions is available in your Investor Profile.

Your knowledge and experience

It is important that you understand the financial instruments we propose to you in order to make informed decisions. For those instruments you may be less familiar with, we can support you by providing you with additional education. When we recommend financial instruments to you, we will ensure that you only receive additional explanations if necessary.

Your general experience in financial markets
First of all we assess your general experience in financial markets together with you. The more experienced you are, the easier it will be for you to understand financial instruments you have little or no experience with.

Your experience in product categories
In a next step, we consider the experience you have investing in specific product categories. This is important, as each relevant product category exhibits certain characteristics and risks. This information serves as a basis for us to assess your initial understanding of different product categories and helps us identify the need for additional education.

Your knowledge in product categories
Based on your previous experience, it is our responsibility to assess that you have understood the relevant characteristics and risks per product category. We will share our assessment with you to ensure you are comfortable with our conclusion.

There are scenarios where special rules concerning knowledge and experience apply, e.g.:

- Authorized representatives: We assess the knowledge and experience of the authorized representative.
- Joint accounts (multiple instructing persons): The lowest level of knowledge and experience of the joint account holders is considered for the assessment.
- MiFID II elective professionals: If you are considered a professional investor for specific product categories, we assume that you have the necessary understanding and we do not need to assess and document it again. However, for those products where you are not a professional investor, we will still assess your knowledge and experience as part of your Investor Profile.

What is the impact for you?

Suitability of investment recommendations
When we recommend a product to you, we assess whether you already have the required knowledge and experience to make an informed investment decision. If you do not have enough knowledge and experience, we will explain product-specific characteristics and risks to you; we will also provide you with additional information and documents. This should give you sufficient understanding to make an informed decision about a recommended product. But you can also be sure that your client advisor will not recommend any investment product which you do not feel comfortable with or that you do not fully understand.

The information about your knowledge and experience is also used for execution-only transactions, i.e., without personal advice from UBS. In such cases, we indicate the products for which you don't have enough knowledge and experience and where you might not be able to properly evaluate the characteristics and risks.

Target market
In addition to our responsibility in ensuring that you understand the financial instruments we recommend to you, the European regulator also defined the concept of the target market: The manufacturer as well as the distributor of financial instruments define a compatible client group to ensure that these match the needs, characteristics and objectives of each client. Every financial instrument and every service we offer is linked to a specific target market.

When providing investment advice or when offering discretionary services, we will ensure that the target market of the products we offer you considers the relevant information derived from your Investor Profile (e.g., risk tolerance, investment horizon, sustainability preference).

For execution-only transactions or services, only the target market criteria "client classification", "knowledge and experience" and "distribution channel" are checked against your Investor Profile.

For discretionary services, we have determined a target market for each strategy and compare this target market to your specifics.

Please note that for target market purposes, only your knowledge and experience is relevant, even when an authorized representative acts on your behalf. This is to ensure that you, who ultimately bear the risks of holding a financial instrument, fully understand those risks.

Your Investor classification
Investor protection is a key element of MIFD II. UBS is required to categorize its clients as either retail or professional. This classification reflects the varying levels of knowledge and experience among investors regarding financial instruments and the associated risks. It ensures that each client receives an appropriate level of protection. The regulations governing business with retail clients are more extensive than those which apply to professional clients. Clients are entitled to request a change in their client categorization. Specifically, a retail client may choose to relinquish certain protections by requesting classification as a professional client. Conversely, a professional client may seek to obtain the enhanced protections afforded to retail clients by requesting a change to retail client status. Please feel free to contact your UBS contact if you have questions concerning your client classification under MiFID II.

Next steps based on your Investor Profile

Establishing your Investor Profile together with you is the basis for the advisory and discretionary services we offer to you. We will provide you with a personalized proposal on products and services to best achieve your individual investment objectives and will discuss possible investment restrictions you may have. Furthermore, we take into account your preference to make investment decisions yourself or delegate the day-today handling of your investments to us.

Keep in mind the following principles to support your long-term investing:

Bring your strategy in line with your Investor Profile
Now that you have determined your Investor Profile, it is time to bring your current investments in line with your investment objectives by aligning your portfolio composition with the applied investment strategy.

Be disciplined
By implementing the agreed investment strategy in a disciplined manner, you will avoid classic "investor traps". These include, for example, spontaneous, emotional decisions in turbulent times with severe price swings. Or overconcentration in individual asset classes, regions or currencies. It is also dangerous to base conclusions about the future on the past without taking a more measured look at the current circumstances.

Diversify broadly
An investment portfolio that is broadly diversified across various asset classes, sectors, markets, currencies and securities has a lower overall risk and simultaneously opens up more potential return sources than a portfolio that merely focuses on few investments.

Check regularly
Personal circumstances or investment objectives might change over time and so the Investor Profile and the applied investment strategies should be reviewed regularly and adjusted to a new situation if needed.

As you can see, a precise and complete Investor Profile is the foundation for personal investment advice and discretionary services. It is therefore crucial that the information we collect in your Investor Profile is correct, complete and up to date. Please let your client advisor know if your financial situation, investment objectives or your risk tolerances change.

Glossary

Asset allocation
Structure of the assets by currencies and asset classes, e.g. liquidity / money market, bonds, equities, hedge funds and private equity, real estate, precious metals and commodities.

Expected return
Expected average return of a model investment strategy, portfolio or product. The expected return is derived using a statistical method, which is based on historical performance data and the market expectations of UBS CIO.

Expected volatility
Volatility is a measure of value fluctuations in a model investment strategy, portfolio or product over a defined period and is measured as a standard deviation of the average or expected annual return. Volatility is derived by using a statistical method based on historical performance data and the market expectations of UBS CIO.

Free assets
The client’s total liquid assets less liabilities and expenses planned for the next five years (e.g. pension fund buy-in, education, amortizations, renovations, consumer loans, Lombard loans) and any reserves (for consumption or emergencies).

Investment horizon
Minimum expected length of time a client would like to stay invested in a portfolio.

Investment strategies
Model investment strategies contain target values and ranges for different portfolio parameters such as asset and currency allocation, expected volatility and returns. The investment strategy should satisfy the risk tolerance of the client and act as a foundation for the investment advice provided by UBS.

Investor Profile
Serves as the basis for all investment proposals and recommendations and comprises details of the client’s financial situation, investment objectives and also of their knowledge and experience of investment-related products.

Knowledge and experience
The client’s knowledge of the characteristics and risks of products and services and his or her experience of investing in such products.
The client’s experience is assessed by reference to his or her overall financial market experience as well as past exposure to investing in individual product categories.

Liquid assets
Client assets that are held at a bank in the form of, for example, a personal or savings account, term deposits or securities and which are capable of being disposed of within two months without sustaining extraordinary losses.

Longest period of a historical drawdown
The longest period of a historical drawdown of the model investment strategy is an indication of the minimum time required to weather the short-term losses and fluctuations of the portfolio based on historical data.

Loss capacity / Risk ability
The personal loss capacity describes the client’s ability to expose his or her investments to risks that arise based on adverse market developments. It is derived from the proportion of net free assets to total liquid assets, and concerns the maximum proportion of the client’s total liquid assets that the client is capable of losing as a result of adverse market developments without impairment of standard of living or suffering liquidity problems.

Market risk
The dependency on observable market variables such as interest rates, currency exchange rates, equity prices, commodity prices (including the prices of precious metals), which trigger price fluctuations in a portfolio or of a product.

Maximum historical drawdown

The maximum historical drawdown is the maximum loss of a model investment strategy or the highest relative decline within a defined period. It is the maximum loss derived from historical data based the worst circumstances that could occur if investments were bought or sold at the worst possible time.

Performance

The change in the value of a portfolio or of a product over a specified period.

Personal investment advice

Advice provided by UBS regarding transactions with particular products, taking account of the client's personal circumstances.

Portfolio

The total assets, such as equities, bonds, etc., held by a client, as a rule in one or more custody accounts. The management of a portfolio generally aims at a favorable risk/return ratio. However, it also takes account of other factors, among them risk tolerance, the time horizon and other goals.

Products / Investment instruments

All securities, debt securities or other financial instruments and the derivatives based on them. They include ordinary and preferential shares, debt instruments, option certificates, money market instruments (e.g. currency or interest rate products) and other transferable securities and units in collective investment instruments (e.g. investment funds). They also include difference contracts, swaps, options, futures and forwards and contracts of all types based on a product or commodity. By way of clarification, please note that this term also covers all structures that act to transfer credit risks; all contracts based on the value of one or more financial instruments (for example, spread and contract trades); other instruments that can be exercised in relation to a financial instrument or exchanged for such an instrument; and all other cash-settled instruments.

Reference currency

The currency selected by the client as the measure of their portfolio's value.

Return

A measure of the profit or loss from a portfolio or product over a defined period. Return is made up of income and capital growth as compared with the original investment. It is generally expressed as a percentage.

Risk tolerance

The degree of risk that a client is prepared to accept in order to achieve an expected return. Risk tolerance levels based on the model investment strategies on a scale of A (very low risk tolerance) to F (high risk tolerance). Historical data are used to simulate risk and return characteristics; the simulation is therefore only indicative.

Stress test

The simulation of the effects that a particular scenario would have had on a portfolio. Stress tests help to quantify and measure the effects of this scenario on a portfolio.

Sustainability preference

The minimum proportion of a portfolio to be invested sustainably and/or the avoidance to invest in companies which are particularly harmful to the environment or society by selecting Principal Adverse Impacts.

Target market

The manufacturer as well as the distributor of a financial instrument have to identify the client group for which the financial instrument is intended, along with the client group that is not allowed to buy the instrument. This is called the target market, which considers a number of criteria related to a client's needs, characteristics and objectives.

Volatility

A measure of the fluctuation of prices in a portfolio or of a product over a defined period. As a rule, volatility is measured as a deviation from the average performance of an investment and expressed as a percentage.

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