Appendix: Additional explanations for clients who entrusted the Bank with a discretionary management mandate (the "Clients")

1. Consideration of the Client's Knowledge and Experience

The investor profile includes a section in which the Client must indicate its knowledge and experience regarding different types of financial instruments.

In the context of a wealth management mandate, the Bank primarily offers liquid financial instruments of a traditional nature. Therefore, the Client's level of knowledge and experience is not considered in the execution of the mandate.

The Client can obtain more detailed information about the specific characteristics of the various types of authorized instruments by reading the Swiss Bankers Association brochure "Risks Involved in Trading Financial Instruments" (**the "SBA Risks Brochure"**), which the Client is invited to consult at the following address: general-risks-related-to-financial-instruments. Additionally, the Client may obtain any further specific information desired regarding the characteristics of each investment category implemented by contacting their relationship manager.

2. Types of assets classes utilized

As part of the services provided by the Bank in the areas of wealth management and investment advisory, your portfolio is structured around several asset classes. These represent the main categories of financial investments, each with its own characteristics in terms of return, risk, and behavior depending on economic cycles. Diversification across these classes helps optimize the risk/return profile of your portfolio.

Below is a brief description of the main asset classes to which you are exposed:

Asset class	Description	Principal risks	Financial instruments utilized
Bonds	Bonds are debt securities issued by governments, corporations, or other entities. They generate regular income in the form of coupons and are generally less volatile than equities. They play a defensive role in the portfolio by providing stability and predictability corporate earnings and overall economic conditions.	Interest rate risk and credit (issuer) risk	Bonds directly Bond funds Structured products with underlying bonds
Equities	Equities represent an ownership stake in a company. They offer the potential for long-term capital growth but are more volatile in the short term. Their performance depends on.	Market volatility, economic risk.	Equities directly Equities funds Equities certificates Structured products with underlying equities
Real estate	Real estate investment can involve commercial or residential properties. It offers regular income (rents) and potential capital appreciation.	Liquidity risk, risk related to the real estate market.	Collective investment schemes that invest in real estate assets.

Asset class	Description	Principal risks	Financial instruments utilized
Commodities	This asset class includes physical assets such as gold, oil, or agricultural products. Commodities are often used as a hedge against inflation and geopolitical risks.	High volatility, dependence on supply and demand	Commodities funds Exchange Traded Funds (ETF)
Alternative Funds	These are non-traditional investment strategies, such as hedge funds, private equity or absolute return strategies. These funds aim to generate performance independently of traditional markets.	Reduced liquidity, complexity.	Funds of Funds

IMPORTANT NOTICE

Certain types of investments (such as commodities or other alternative investments) are more complex than the other asset classes used. Clients who wish to do so may not only read the relevant descriptions in the ASB Risk Brochure, which they are invited to consult at the following address: general-risks-related-to-financial-instruments, but may also ask any relevant questions to their relationship manager. As these positions represent only a small portion of the portfolio, the Bank believes they are also suitable for clients without prior knowledge or experience with these types of investment instruments.

3. Types of financial instruments utilized

The implementation of the strategy is not carried out solely through direct investments in individual securities (meaning the investor will not hold individual securities in their portfolio), but rather through indirect exposure via investments in financial products (units of collective investment schemes and certificates) that aim to replicate the performance of the underlying securities.

This approach has been chosen because it allows for broad diversification of investments across the regions, sectors, and themes selected by the Bank, while maintaining reasonable costs—potentially lower than those associated with buying and selling all the individual securities required to achieve the same investment objectives.

1. Unit of a collective investment scheme: A unit of a collective investment scheme (also known as an investment fund) represents a share in a pool of assets (e.g., equities, bonds, etc.) contributed by investors to be held, administered, and managed collectively on their behalf. Collective investment schemes carry, among other things, the market risk inherent in the investments made by the fund. An investor in a collective investment scheme generally does not benefit from the rights associated with direct individual investments made by the fund (for example the right to receive dividends or to vote at the general meeting of a company in which the fund is invested). Investors can learn about the specific risks of a collective investment scheme by consulting the fund's constitutional documents and, where applicable, the key information document or basic information sheet and the related prospectus. These may include third-party funds or proprietary funds, meaning funds in which the Bank or other entities within the same group are involved in research, management, administration or other remunerated activities (see the notice "Information on the Bank's conflict of interest management policy" available on the website:
www.piguetgalland.ch/en/academy/conflict-of-interest-management-policy).

2. Certificate: A certificate is a structured product issued by an issuer. Its redemption value depends on the performance of one or more underlying financial instruments, which may include, for example, equities or bonds. In addition to the risks inherent in equity investments, a certificate carries the additional risk that its issuer may become insolvent (issuer risk), potentially resulting in the investor losing the value of their investment. In other words, the value of the financial instrument depends not only on the performance of the underlying asset but also on the creditworthiness of the issuer (or a potential guarantor of the certificate). The issuer's (or guarantor's) creditworthiness may change over the life of the certificate.
   Investors can learn about the specific risks of a certificate by consulting the relevant documentation, the key information document (KID), and the prospectus. To avoid exposing the Client to excessive risk, the Bank ensures that it selects only top-tier issuers and limits the concentration of any single issuer to a maximum of 20% of each portfolio.

As part of rigorous risk management, the Bank may use linear derivative products for hedging purposes, such as fixed-term deposits, mini-futures, and/or foreign exchange (Forex) hedging instruments.

As part of its management approach, the Bank carefully selects and monitors both internal and external financial products (collective investment schemes and structured products). It ensures that there is no unjustified excessive concentration of in-house products. However, when justified by portfolio management and cost optimization, the Client accepts that in-house products may represent a potentially significant portion of their portfolio. Additional information on this topic can be found in the Bank's Conflict of Interest Management Policy and in the Bank's FinSA Brochure, both of which the Client is invited to consult.

Further information on these categories of financial instruments is available in the ASB Risk Brochure, which the Client is invited to consult at the following address: www.piguetgalland.ch/en/academy/general-risks-related-to-financial-instruments.

4. Highlighting certain risks arising from the services provided by the Bank

A. *Bank's Approach to Portfolio Liquidity*

The portfolio is primarily invested in instruments with daily liquidity, in order to ensure the greatest possible flexibility in implementing the management mandate. In all cases, it complies with the negotiability rules set out in the Swiss Bankers Association's guidelines on discretionary management mandates SBA Guidelines Portfolio Management 2020.

B. *Bank's Approach to Portfolio Diversification*

Portfolio diversification is ensured through exposure spread across different asset classes, geographic regions, economic sectors, and investment styles. This principle also applies to the advice provided by the Bank under advisory mandates.

C. *Main Rriks*

The Bank hereby specifically draws the Client's attention to the main risks inherent in global advisory and management services:

1) *Market Risk: Tactical asset allocation allows for adjustments in exposure to asset classes based on different market conditions. However, the risk of a loss in value of asset classes or investments within a specific asset class remains.*

2) *Credit Risk: For bond investments, credit risk refers to the probability that an issuer may be unable to meet its obligations.*

3) *Currency Risk: The reference currency represents a significant portion of the portfolio (after any currency hedging) and constitutes a risk for the Client.*

For further information, Clients who wish to do so may also consult the ASB Risk Brochure, which is available at the following address: **www.piguetgalland.ch/en/academy/general-risks-related-to-financial-instruments**.
Clients—particularly those who do not already possess proven financial knowledge and/or experience with this type of service—are encouraged to read the explanations provided in this document carefully. Additionally, the Client may obtain any further specific information from their advisor.

Amendments to this Annex

In the event of an amendment to this Annex by the Bank, the Client agrees that the Bank may notify the Client of such amendment by means of a circular or any other appropriate method. The amendment shall be deemed approved no later than the 30th calendar day following the notification, provided the Client does not raise any objection.