

1. Introduction

The purpose of this FIDLEG Client Information Document is to inform you about how Schroder Investment Management (Switzerland) AG (hereinafter "SIMSAG", "we" or "us") applies certain requirements of the Federal Act on Financial Services ("FIDLEG") as from the 1 January 2022.

FIDLEG mainly governs the provision of financial services as well as the offering of financial instruments and is intended to strengthen client protection. In terms of content, FIDLEG is closely aligned with the European regulatory reforms and mainly covers the following areas:

- Enhancement of client protection
- Transparency of financial products
- Organisational requirements for the provision of financial services.

The introduction of FIDLEG resulted in increased information and documentation obligations for financial service providers in Switzerland, offering financial services related to financial instruments (e.g. portfolio management, investment advice and the acquisition or disposal of financial instruments). It also extended the organisational measures to be taken by them.

The level of protection to be provided by a financial service provider depends on the respective client classification (further explained in chapter 4 below). The client classification determines the scope of applicable conduct duties or organisational measures to be applied for the specific client relationship.

This FIDLEG Client Information Document provides you with an overview of SIMSAG's implementation of the FIDLEG conduct requirements. It supplements any contractual agreement between you and SIMSAG. In case of any contradictions, the respective contractual agreement will prevail.

2. About Schroder Investment Management (Switzerland) AG

SIMSAG is an authorised fund management company pursuant to the Federal Act on Financial Institutions ("FINIG").

As a fund management company, we are, among others, subject to the rules under FINIG, FIDLEG and the Federal Act on Collective Investment Schemes ("KAG").

We administer various contractual funds under Swiss law, act as Swiss representative and distributor for many Schroder funds under foreign law, provide asset management services for Swiss and foreign collective investment schemes and investment foundations as well as individual portfolio management and advisory services to other professional and institutional clients.

SIMSAG is an ultimately wholly owned subsidiary of Schroders plc, London. Schroders plc is listed on the London Stock Exchange and is a constituent of the FTSE 100 Index.

For further information about our services, please contact your client relationship manager or contact us under:

Schroder Investment Management (Switzerland) AG

Central 2
CH-8001 Zurich
Switzerland
Phone: +41 44 250 11 11
Email: info-sim@schroders.com

3. Regulator

SIMSAG is authorised and prudentially supervised by the Swiss Financial Market Supervisory Authority FINMA.

Contact details:

Swiss Financial Market Supervisory Authority FINMA

Laupenstrasse 27
CH-3003 Bern
Switzerland
Phone: +41 31 327 91 00
Email: info@finma.ch
Website: www.finma.ch

4. Client Segmentation

4.1 General Information

Under FIDLEG, all financial service providers are required to segment their clients into the following three segments: private (retail) clients, professional clients and institutional clients.

Each segment is assigned a different level of investor protection (e.g. with regard to information duties, suitability and appropriateness obligations, documentation and accountability duties).

SIMSAG only provides financial services to professional and institutional clients, as further explained below.

Before providing financial services to you, we will segment and subsequently inform you about your segmentation as either professional or institutional client, based on information available to us.

You may wish to change your segmentation by way of declaring an opting-in or opting-out, which will also change the level of client protection and conduct obligations for the client relationship. Your client relationship manager will be happy to explain the available opting-in and/or opting-out options in detail to you. Any declaration of an opting-in or opting-out will only be legally binding for SIMSAG upon respective written confirmation to the client.

Every segmentation undertaken by SIMSAG applies in general for all financial services, which we offer or provide to you, unless you have explicitly instructed us otherwise in writing.

You are requested to inform us of any relevant changes in the circumstances underlying your classification which would result in you no longer meeting the necessary requirements for classification as professional or institutional client or if you would like to withdraw your opting-in or opting-out declaration.

As soon as we become aware that you no longer fulfil the criteria for your original classification, we will independently adjust your classification and inform you accordingly. In such cases, SIMSAG is authorised to return, exchange or sell all financial instruments that may only be held by clients of the initial classification, to terminate contracts for financial services or to cease providing financial services in the future.

4.2 Institutional clients

a. Classification as Institutional Client

The following are institutional clients:

- **Per se institutional clients** according to Art. 4 para. 4 FIDLEG are:
 - a. financial intermediaries as defined in the Banking Act of 8 November 1934 (BankG), the Financial Institutions Act of 15 June 2018 (FINIG) and the Collective Investment Schemes Act of 23 June 2006 (KAG) (Art. 4 para. 3 let. a and para. 4 FIDLEG);
 - b. insurance companies as defined in the Insurance Supervision Act of 17 December 2004 (VAG) (Art. 4 para. 3 let. b and para. 4 FIDLEG);
 - c. foreign clients subject to prudential supervision as the persons listed in a) and b) above (Art. 4 para. 3 let. c and para. 4 FIDLEG);
 - d. central banks (Art. 4 para. 3 let. d and para. 4 FIDLEG);
 - e. national and supranational public entities with professional treasury operations¹ (Art. 4 para. 4 FIDLEG).
- **Elective institutional clients** according to Art. 5 para. 3 and 4 FIDLEG are: clients who have explicitly opted-out to be treated as institutional clients pursuant to Art. 5 para. 3 or 4 FIDLEG.

b. Consequences of classification

The classification as institutional client means that:

- the information, documentation and accountability obligations under the FIDLEG do not apply;
- SIMSAG does not conduct a suitability or appropriateness test when providing investment advice or asset management services;
- SIMSAG would not be obliged to apply the transparency and due diligence obligations for client orders under FIDLEG. However, SIMSAG does apply the same requirements as for professional clients;
- Institutional clients are considered qualified investors pursuant to KAG. Qualified investors may invest in Swiss collective investment schemes that are subject to simplified authorisation and approval procedures and are exempt from certain investor protection requirements and/or foreign collective investment schemes which are not approved for offering to non-qualified investors in Switzerland and, thus, not subject to the supervision of the Swiss Financial Market Supervisory Authority FINMA. Such foreign collective investment schemes may, for example, not be subject to requirements regarding organisation and/or legal structure, investor rights or investment

policy/restrictions which are equivalent to those under KAG.

SIMSAG may in its sole discretion and on a voluntary basis apply the FIDLEG conduct duties in whole or in part in relation to financial services provided to institutional clients. Such voluntary application of conduct duties does not cause a general obligation on SIMSAG to comply with such FIDLEG conduct duties in relation to institutional clients in future, unless explicitly provided by regulatory provisions otherwise.

c. Option to request a change of classification

Per se institutional clients may declare in writing to SIMSAG that they wish to be classified as professional clients and thus benefit from the associated enhanced client protection (opting-in).

Elective institutional clients pursuant to Art. 5 para. 3 FIDLEG may at any time withdraw their opting-out in order to be re-classified as professional clients and benefit from the associated enhanced client protection.

4.3 Professional clients

d. Classification as professional client

The following are professional clients:

- **Per se professional clients:**
 - a. public entities with professional treasury operations¹ (Art. 4 para. 3 let. e FIDLEG);
 - b. occupational pension schemes and other occupational pension institutions with professional treasury operations¹ (Art. 4 para. 3 let. f FIDLEG);
 - c. companies with professional treasury operations¹ (Art. 4 para. 3 let. g FIDLEG);
 - d. large companies (Art. 4 para. 3 let. h in connection with para. 5 FIDLEG);
 - e. private investment structures with professional treasury operations¹ created for high-net-worth private clients (Art. 4 para. 3 let. i FIDLEG).
- **Elective professional clients**
 - a. by way of **opting-out declaration**: high net worth private clients and private investment structures created for them who have explicitly opted-out to be treated as professional clients in accordance with Art. 5 para. 1 and 2 FIDLEG;
 - b. by way of **opting-in declaration**: institutional clients that have explicitly opted-in to be treated as professional clients in accordance with Art. 5 para. 6 FIDLEG.

e. Consequences of classification as professional client

The classification as professional client means that:

- SIMSAG will apply the information, documentation and accountability obligations under FIDLEG;
- SIMSAG will only apply a limited suitability or appropriateness test when providing investment advice or asset management services;

¹ The professional treasury operations requirement is fulfilled when the institutional client entrusts on a permanent basis, within or outside its organisation, the management of its funds to a professionally qualified person with experience in the financial sector.

- SIMSAG will comply with the transparency and due diligence obligations for client orders under FIDLEG;
- Professional clients according to Art. 4 para. 3 FIDLEG or according to Art. 5 para. 1 and 4 FIDLEG are qualified investors under KAG. Qualified investors may invest in Swiss collective investment schemes that are subject to simplified authorisation and approval procedures and are exempt from certain investor protection requirements and/or foreign collective investment schemes which are not approved for offering to non-qualified investors in Switzerland and, thus, not subject to the supervision of the Swiss Financial Market Supervisory Authority FINMA. Such foreign collective investment schemes may, for example, not be subject to requirements regarding organisation and/or legal structure, investor rights or investment policy/restrictions which are equivalent to those under KAG.

f. Option to request a change of classification

Per se professional clients may declare in writing to SIMSAG that they wish to be classified as institutional clients (opting-out).

4.4 Private clients

As SIMSAG is not providing financial services to private clients, professional clients who wish to be treated as private clients by way of declaring an opting-in in accordance with Art. 5 para. 5 FIDLEG or elective institutional clients according to Art. 5 para. 4 FIDLEG who would like to withdraw their opting-out declaration during an existing business relationship are kindly requested to contact their client relationship manager as we will either need to terminate our contractual relationship or would be happy to assist you with transferring to an alternative financial service provider of your choice.

5. Appropriateness & Suitability

FIDLEG generally requires financial service providers that provide investment advice or portfolio management services for professional clients to perform a limited appropriateness or suitability review.

In the case of professional clients, SIMSAG may assume that these clients have the required level of knowledge and experience and can financially bear the investment risks associated with the financial service. In case of professional clients, we are generally only required to record their investment objective in case of portfolio management services or portfolio based investment advice.

SIMSAG relies on the information provided by you or the individual authorised to act on your behalf. You or your authorised representative(s) are obliged to notify SIMSAG immediately of any change in circumstances that may necessitate changes or updates in terms of appropriateness or suitability.

We are not required to and therefore will not conduct an appropriateness or suitability check for institutional clients.

For execution only services, which we only offer in exceptional instances, and when we act based on a reverse solicitation by you, we will neither conduct an appropriateness nor a suitability check. **This information about the non-performance of appropriateness or suitability checks in the context of execution only services is only provided**

here as a one-time information and will not be repeated at a later stage when execution only transactions occur.

6. General Risks of Financial Instruments

Investments in financial instruments involve opportunities but also bear risks. It is important that you understand these risks before using a financial service.

For this purpose, the brochure "Risks Involved in Trading Financial Instruments" of the Swiss Bankers Association (SBA) is made available on our website: www.schroders.ch. You can also obtain a copy of the brochure from your client relationship manager on request.

Please read this information carefully. If you have any questions, please contact your client relationship manager.

7. Cost Information

Costs and fees may be incurred both by SIMSAG and by third parties (e.g. through third party financial instruments in your portfolio) in connection with the provision of financial services. We distinguish between costs and fees that are charged directly to your account and indirect costs related to holding of financial instruments (e.g. ongoing charges).

Information on the actual costs and fees of your financial services are disclosed in the contractually agreed reports and can also be obtained from your client relationship manager.

For further information on costs of our products see chapter 8 below.

8. Product Information

Information on fund products, including information about product specific risks and costs, can be found in the relevant fund documents which are available on our website www.schroders.ch free of charge.

Should you not be able to find the product specific information you are looking for, kindly contact your client relationship manager or contact us at the address indicated above.

9. Offered Market Universe

When rendering financial services, SIMSAG generally offers financial instruments (namely collective investment schemes) that are issued, managed, developed, administered or controlled by it or by an affiliate belonging to the Schroder Group. However, in exceptional circumstances SIMSAG may offer or use third party products.

10. Execution of Orders (Best Execution)

When executing client orders, we ensure that the best possible outcome is achieved in terms of cost, timing and quality.

We have taken all appropriate steps to obtain the best-possible result when executing transactions in financial instruments for you via other Schroder affiliates or through third-party brokers.

SIMSAG has a framework in place for the management and execution of orders, which is based on the Schroder Group Order Management and Execution Policy. This framework

covers all asset management activity that involves managing orders and executing transactions to the allocation of executed orders.

An overall review of the best execution framework and the order handling and execution arrangements is performed on a regular basis with regard to the completeness and effectiveness of the framework.

We generally apply the same best execution principles for all our clients, unless explicitly instructed otherwise by a client.

11. Conflicts of Interest

SIMSAG has implemented and maintains appropriate organisational and administrative measures with a view to taking all appropriate steps to prevent or manage conflicts of interest that could arise through the provision of financial services from constituting or giving rise to a risk of damage to the interest of its clients.

A conflict arises where the interests of one party (e.g. SIMSAG, or a director, or any staff, or a client, or a Schroder affiliate) are not currently, or may not in future be aligned with the interests of another party. Therefore, one party may be disadvantaged to the advantage of the other.

Our Conflicts of Interest Policy and our Conflicts of Interest Framework which are proportionate to the nature and scale of our business, allow us to identify, record, manage, mitigate or disclose conflicts of interest. Where disadvantages for clients cannot be ruled out, or only at disproportionate expense, we will disclose this fact to you in a suitable manner.

Please contact us, if you have any questions regarding our Conflicts of Interest Policy and Conflicts of Interest Framework.

12. Business Affiliations with Third Parties

SIMSAG is a wholly owned subsidiary of Schroders plc, London. We cooperate with our Schroder affiliates in Switzerland and abroad in many ways. The Schroder Group Conflicts of Interest Framework, which applies to all Schroder entities, covers for steps designed to provide safeguards to eliminate and manage/mitigate potential conflicts of interest between group entities to ensure appropriate intra-entity conflict management.

If SIMSAG's affiliation with other Schroder Group entities or other third parties leads to a conflict of interest in the context of providing a financial service to you and such conflict of interest cannot be eliminated or managed/mitigated, we will inform you of this in an appropriate manner.

Disclaimer

This FIDLEG Client Information Document is provided to you for information and regulatory purposes only and provides an overview of how SIMSAG applies the statutory conduct obligations.

Although it has been thoroughly checked, SIMSAG does not accept any liability for the adequacy, accuracy, completeness or correctness of the content of this FIDLEG Client Information Document.

The FIDLEG Client Information Document reflects the status as per 1 January 2022 and may be updated by SIMSAG unilaterally at any time without further notice to clients. You can always obtain the most recent version of the FIDLEG Client Information Document from your client relationship manager. After the 1 January 2022, the most recent version of the FIDLEG Client Information Document can be downloaded from our website: www.schroders.ch.

This FIDLEG Client Information Document does not constitute an offer or solicitation by or on behalf of SIMSAG to utilise a service, buy or sell financial instruments or participate in a specific trading strategy in any jurisdiction.

13. Compensation from Third Parties

As a general principle, SIMSAG strives to provide its financial services and use its collective investment schemes in a way such to avoid receiving any third party remuneration.

Should any third party remuneration still be incurred, SIMSAG passes on to its clients, periodically and with the appropriate level of accountability, any such remuneration that it receives from third parties in connection with the offering of collective investment schemes or purchase of the same for their clients.

14. Complaints Management / Mediation Procedure

Ensuring client satisfaction is our priority.

We appreciate your feedback and take every comment and complaint seriously.

Should you not be happy with our services, we kindly ask you to send us an email at info-sim@schroders.com.

We handle all requests and complaints in line with our regulatory obligations and internal procedures. In order to address your request or complaint efficiently and swiftly, we require your full name and contact details as well as the reason for your request or complaint in as much detail as possible alongside any relevant documents.

We will acknowledge the receipt of your request or complaint and will provide you with an answer to your request or complaint as soon as possible.

We may request the provision of additional information necessary to confirm your identity when you file a request or complaint.

Should our response not be satisfactory to you and should you wish to initiate a mediation, you can contact the Finanzombudsstelle Schweiz (FINOS) ("FINOS"):

Finanzombudsstelle Schweiz (FINOS)

Talstrasse 20
CH-8001 Zurich
Switzerland
Phone: +41 44 552 08 00
E-Mail: info@finos.ch
Website: www.finos.ch

FINOS is a free and neutral information and mediation agency. In general, FINOS only gets actively involved after SIMSAG receives and has had an opportunity to respond to a written client complaint.