

## Cornèr - Capital Accumulation Funds (CAF) - Product Information Sheet

### Information about the Bank

Cornèr Bank Ltd – Via Canova 16, 6900 Lugano, Switzerland – Tel. +41 91 800 51 11 – Fax +41 91 800 53 49 – Internet <https://www.corner.ch> – SWIFT Code CBLUCH22NRA – As a financial institution with a banking licence, Cornèr Bank Ltd (“Bank”) is under the supervision of the Financial Market Supervisory Authority FINMA (Laupenstrasse 27, 3003 Berne, Switzerland – Tel. +41 31 3279100)

### Characteristics

The goal of Cornèr Capital Accumulation Funds (CAF) is to achieve medium- to long-term capital growth through capital gains, dividends, and minimal interest income. By signing the CAF form, the Client instructs the Bank to use the amounts periodically deposited by him or her on the appropriate account to invest in units (or fractions of units) of one or more investment funds selected by the Client out of the funds made available by the Bank. The amounts, the currency and the frequency of the cash deposits to be invested are determined by the Client and must be at least CHF 100 or the equivalent in EUR or USD. An initial deposit of at least CHF 500 or the equivalent is required for the first acquisition. Opening a dedicated banking relationship (one main account and possibly other related accounts in case of subscribing to several investment funds) is a prerequisite for a CAF.

The quantity of units acquired for a given amount will vary from one deposit to the next, depending on the prices of the investment fund units at the relevant time. This makes it possible to pursue an “anticyclical” strategy, i.e. to buy more units when prices are down and fewer units when prices are up.

In principle, the market range taken into consideration for the choice of investment funds made available for the CAF only includes investment funds of the Bank.

If Clients subscribe the product at the Bank’s offices or counters or requests it by telephone, the Bank will provide them with initial advice on selecting an investment fund in line with their risk appetite and capacity: to that purpose, the Bank draws up a risk profile, taking into account their financial situation, investment objectives, knowledge and experience. In the risk profile, the Client can also express an interest in investment-related sustainability factors (so-called “ESG factors”). If the product is subscribed online, no risk profile will be drawn up, the Bank will not provide any investment advice or check the appropriateness and/or suitability of the investment.

The Client may request a switch of preselected investment funds (full switch) by signing a new CAF form. Such a switch will result in complete liquidation of the units of the investment Fund(s) previously held by the Client and subsequent reinvestment of all the resulting liquid assets in the new preselected investment Fund(s). The Client may issue a written order at any time to liquidate all or part of the assets invested and deposited on the CAF Account solely for purposes of withdrawal or transfer. The amount of the liquidation and withdrawal cannot be less than CHF/EUR/USD 500. Liquidation generally takes three working days.

Clients may use the Bank’s digital services at any time to look up the asset situation of their own portfolio, including the details of their individual investments.

For further details, please see the “Request to open a banking relationship at Cornèr Bank Ltd for Subscription to Cornèr Capital Accumulation Funds” and the CAF Special Terms and Conditions.

### Risks

Investing in financial instruments may entail various risks. To get an overview of the main risks, the Bank invites you to read the “Risks Involved in Trading Financial Instruments” brochure published by the SBA, which the Client receives together with the mandate and/or is available on the website [corner.ch/e/finsa](https://www.corner.ch/e/finsa).

Investing in funds may entail risks of loss related to factors such as value fluctuations in the underlying financial instruments. The funds available for the CAF are normally of the equity or strategic type and thus tend to undergo moderate to high value fluctuations, meaning a medium to high risk level. The investment strategy and the related risks for the investment funds available for the CAF are described in the key information documents of the individual investment funds that the Bank makes available to the Client.

## **Financial risks related to sustainability (ESG risks)**

"ESG" (Environmental, Social & Governance) refers to environmental factors (e.g., energy and water consumption), social factors (e.g., employer attractiveness, supply chain management) and governance factors (e.g., wage policy, operational management).

"ESG risks" are events or conditions related to environmental issues (e.g., damage and costs of climate-related extreme weather events and changes in consumer habits), social issues (e.g., due to the violation of employment standards and insufficient occupational health or safety protection measures) and governance issues (e.g., due to unequal treatment of shareholders, inadequate risk management, lack of control mechanisms) that can have a negative impact, at a contingent time or in the future, on the company's profitability, costs, reputation and profitability, and on the prices of its financial instruments. ESG risks may affect in various ways the individual classes of investment, geographical areas and economic sectors, as well as individual businesses. Events such as climate change and environmental damage, as well as the need to move towards a (more) sustainable economy, may cause changes in the real economy that lead to new risk factors for investors. In the context of portfolio management, ESG risks and peculiarities can be properly taken into account and/or pursued through diversified ESG approaches (for more information, please see the brochure "Risks Involved in Trading Financial Instruments" published by the SBA).

## **ESG characteristics**

In the framework of the Bank's Capital Accumulation Funds (CAF), the ESG risks are taken into account in the investment process through an indicator of the ESG risk classification (ESG Risk Rating) of the individual investment fund, which the Bank obtains from an independent specialized provider. The ESG Risk Rating scale for the individual financial instruments ranges from 0 (minimum ESG Risk) to 100 (maximum ESG Risk). A rating of 30 or more points indicates a high ESG Risk.

For Clients who have indicated in the risk profile that they are interested in the sustainability of the investments (ESG factors), the Bank checks the ESG Risk Rating of the Client's selected investment fund at least once per quarter. The Bank will inform the Client if it finds that the investment fund's ESG Risk Rating has reached or exceeded a value of 30 points or the independent provider does not supply an ESG Risk Rating for the selected fund.

## **Financial terms**

### **Minimum Investment**

CHF 500 or the equivalent

### **Fees**

No additional fees are charged for managing the CAF account. The Bank charges custody fees and brokerage fees. The custody fees are calculated based on the total asset value and debited quarterly. The brokerage fees are fixed or calculated based on the amount of the individual transactions and debited at the time of booking of said transactions. The fees are calculated based on the rates shown in the Bank's rate schedule.

### **Other costs**

Collective investment schemes (investment funds) entail further costs borne by the investor, i.e. management fees and/or subscription and/or exit fees. Such costs are indicated in the key information documents for the financial instruments provided to the Client by the Bank.

Moreover, the financial investments may be taxable, either at the place of trading or at the place of the Client's domicile. The Bank makes every effort to prevent the Client from choosing investments with adverse tax consequences but is unable to take the Client's specific tax situation into consideration for purposes of optimization.

## **Term, Termination of the Agreement**

The CAF is entered into for an indefinite period and may be terminated by the Client at any time without penalty. The Bank, too, may exercise a similar right. In particular, the Bank may cancel the service and liquidate all or part of the investment fund units held if the minimum required amount is not deposited by Client for at least nine months in a space of twelve months.

## **Changes**

The Bank reserves the right to modify the present document at any time without prior notice.