Cornèr3funds - 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

Cornèr3funds is a mandate by which the Client entrusts the Cornèr 3rd Pillar Pension Foundation (Fondazione di Previdenza Cornèr Terzo Pilastro) with discretionary management, at the Client's risk and for a corresponding fee, of 3rd Pillar pension assets deposited or to be deposited in the Pension Deposit Account held by the Foundation in the Client's name (hereinafter the "Assets" and the "Pension Deposit Account", respectively) at Cornèr Bank Ltd, Lugano, (hereinafter the "Bank"). The Client hereby authorizes the Foundation to delegate, in whole or in part, the management of the Assets and of the Pension Deposit Account to the Bank, which shall act in accordance with the latest version of the relevant guidelines of the Swiss Bankers Association, among others. All that is described in greater detail in the relevant mandate.

The individual investor's assets shall remain segregated from the assets of the others.

For such management, the Bank uses investment funds that meet the requirements imposed by the Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Provision (OPA). The products offered on the market that are considered for the selection of financial instruments consists exclusively of third-party instruments.

The Cornèr3funds management mandate provides for three different investment strategies, available exclusively in the base currency of Swiss francs. The Client is not allowed to give specific investment instructions.

Investment Strategy	Investment Objectives	Risk Assessment
OPA 25 Funds Percentage in equities: average 25%, max. 35%	Long-term capital growth through interest income, moderate capital gains and dividends Time horizon: at least 5 years	Moderate asset value fluctuation and medium risk
OPA 45 Funds Percentage in equities: average 45%, max. 50%	Long-term capital growth though capital gains, dividends and moderate interest income Time horizon: at least 8 years	More marked asset value fluctuation and medium-high risk
OPA 75 Funds Percentage in equities: average 75%, max. 85%	Long-term capital growth though capital gains, dividends and minimal interest income Time horizon: at least 10 years	Strong asset value fluctuation and high risk

The Bank will provide an initial advisory meeting for the choice of an investment strategy in line with the Client's risk appetite and capacity. To that purpose, the Bank will draw up a risk profile based on the Client's financial situation, investment objectives, knowledge and experience. When reviewing the risk profile, the Client also has the option of expressing an interest in investment-related sustainability factors (ESG factors).

When selecting investments, the Bank will also take investment sustainability factors into account even for portfolios of Clients who have declared themselves neutral on the topic.

The Client may use the pension asset investment/divestment order form at any time to specify and/or modify the distribution of the Assets held in the banking relationship between the investments and the savings account.

The Bank will send the Client a portfolio valuation each year as well as transaction statements. 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.

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 will receive upon signing the mandate and/or is available on the website corner.ch/e/finsa.

Portfolio management may entail risks of loss, which may, for example, be related to fluctuations in the value of the financial instruments in which the assets are invested, regardless of the selected investment strategy. The risks inherent in the various investment strategies largely depend on the different asset allocations, investment categories and reference currencies of the underlying financial instruments.

Some of the risks related to certain types of financial instruments are illustrated below.

Investing in equities and/or equity investment funds may enable higher returns but also entails higher potential risk, for example in case of highly volatile market prices.

Investments involving higher credit risk or complex instruments, such as derivatives and structured products, as well as investments in emerging markets, which are generally more volatile than investments in well-established markets and more exposed to liquidity risks at the time of redemption, as well as counterparty risks, may offer higher potential returns but also involve greater risk.

When an investment is made in a foreign currency (other than the reference currency of the Client's account), the risk of an unfavourable fluctuation in the exchange rate can have a significant impact on the product's net performance.

Withdrawals of assets under management may have a negative impact on the results of the management since the Bank may have to liquidate investments at times when the market is unfavorable.

Please see the previous section for the description of the risks of the various strategies under the Cornèr3funds Mandate.

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
Under the Cornèr3funds Mandate, the ESG risks are taken into account in the investment process by means of a synthetic indicator of the portfolio's ESG risk (average ESG Risk of the portfolio), based on the *ESG Risk Rating* of the individual financial instruments. The Bank obtains such ratings 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.

The Bank performs quarterly monitoring of the weighted average *ESG Risk Rating* of the financial instruments in the portfolio (average ESG Risk of the portfolio). If the Bank finds that the average ESG Risk of the portfolio reaches or exceeds a score of 25 points, the Bank will proceed, at its discretion, to makes purchases and sales in such a way as to lower the average ESG Risk of the portfolio to a score below 25. If the independent provider fails to provide any *ESG Risk Rating* for one or more financial instruments, such instruments will not be taken into account in calculating the average ESG Risk of the portfolio. Moreover, the assessment of the average ESG Risk of the portfolio excludes certain asset categories, such as cash and cash equivalents, foreign exchange products, precious metals, derivatives and structured products (so-called "excluded categories"). To be able to calculate the average ESG Risk of the portfolio, an *ESG Risk Rating* must be available from the independent provider for at least 65% of the assets invested in the relevant categories (i.e. without considering the excluded categories).

When choosing investment instruments, the Bank also takes into account the availability of an *ESG Risk Rating* to ensure that it is possible to calculate an average ESG Risk for the portfolios under management. That possibility cannot be assured for portfolios with special investment instructions from the Client.

Financial terms

Minimum Investment
CHF 1'000

Fees
In return for performing the mandate, the Bank charges the Client a quarterly fee covering the fees for management, book-keeping, securities brokerage (including third-party fees) and custody charges. The commission is calculated on the value of the invested assets, based on the rates in the Bank's fee schedule.

Other costs
Any collective investment schemes (investment funds) that may be involved in the management entail further costs borne by the investor, i.e. management fees and/or subscription and/or exit fees. Under the management agreement, it is possible to acquire institutional classes of funds, which are normally associated with lower costs than the retail classes. Such costs are indicated in the key information documents for the financial instruments provided to the Client by the Bank, subject to availability.

Term, Termination of the Agreement
The agreement 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.

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