

Information for Eligible Counterparties pursuant to the German Securities Trading Act (Wertpapierhandelsgesetz).

As at: January 2021

Hauptsitze:
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Mannheim, Mainz
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www.LBBW.de

HRA 12704
Amtsgericht Stuttgart
HRA 4356, HRA 104 440
Amtsgericht Mannheim
HRA 40687
Amtsgericht Mainz

Bankleitzahl 600 501 01
BIC/SWIFT-Adresse SOLADEST
Steuer-Nr. 2899/014/09009
USt.-IdNr. DE 147 800 343

Information about the financial institution and its services

According to the requirements of Article 47 Para. 1 of the Commission Delegated Regulation (EU) 2017/565 and Section 83 Para. 5 of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG), this document contains information about us and our services in connection with securities.

A. Information about the financial institution

Landesbank Baden-Württemberg
Am Hauptbahnhof 2
70173 Stuttgart, Germany
phone: +49 (0)711 127-0
fax: +49 (0)711 127-43544
e-mail: kontakt@LBBW.de

Baden-Württembergische Bank is a dependent institution of Landesbank Baden-Württemberg. Landesbank Baden-Württemberg is an institution under public law (Anstalt des öffentlichen Rechts). Declarations of Baden-Württembergische Bank in the scope of business relationships entitle and obligate exclusively Landesbank Baden-Württemberg.

Banking license

We are in possession of a banking license as per Sec. 32 of the German Banking Act (KWG).

Competent regulatory authorities

Competent authority for banking authorisation:
European Central Bank
Sonnemannstraße 20
60314 Frankfurt/Main, Germany
Postal address: European Central Bank
60604 Frankfurt/Main
(Internet: www.ecb.europa.eu)

Competent authority for consumer protection:
German Federal Financial Supervisory Authority
(Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin).
Graurheindorfer Straße 108, 53117 Bonn, Germany
and Marie-Curie-Straße 24-28,
60439 Frankfurt/Main, Germany
(Internet: www.bafin.de).

Communicating with us

You can communicate with us in person, by telephone, in writing or electronically in the German language.

Client orders can be communicated to us in person, by telephone, in writing or through direct brokerage in the German language.

Recording of telephone and electronic communication

As required by law, we are recording telephone and electronic communication referring to the reception, transmission or execution of orders related to financial instruments or securities-related services and ancillary services and file these conversations for a period of five years; if so required by the supervisory authorities, the period can be extended on a case-by-case basis to up to seven years. Within that period, we shall provide you with copies of these conversations on request. In the event someone else acts as your authorized representative, the provisions regarding telephone and electronic communication also apply to this authorized representative. Please note that separate provisions apply for certain communication channels such as direct brokerage. Your customer relationship manager is available to answer any questions you might have about record keeping requirements in a personal conversation.

Notification of transactions executed

You will receive a confirmation from us for each transaction executed. Once per year you will receive a statement of your security deposit account.

Reporting of personal data to supervisory authorities or trading venues

Please be informed that the Bank is obliged to provide national and European supervisory authorities with detailed information about its clients' securities and derivatives transactions as part of MiFIR transaction reporting as well as commodity derivatives position reporting; positions regarding exchange traded commodity derivatives are reported to the trading venues. These notification requirements can also comprise personal data such as the respective client's name and date of birth. Depending on the client's nationality, further information such as clients' social security number or identity card number can also be subject to the reporting requirements of the supervisory authorities.

Note on voluntary deposit guarantee system

We are a member of the guarantee scheme of the Savings Bank Finance Group.

1. Voluntary deposit guarantee scheme

The primary objective of the guarantee system is to protect the member institutes and to avoid any imminent or existing financial difficulties they might be confronted with.

The scheme is thus to prevent an event in which the realization of deposit guarantees would be required and ensure the continuation of the business relationships between the relevant financial institution and its clients.

2. Statutory deposit guarantee system

The institutional guarantee scheme of the Savings Bank Finance Group is a deposit guarantee system officially recognized under the German Deposit Guarantee Act (EinSiG). If, contrary to paragraph 1, the institutional guarantee does not apply in individual cases, the client has a claim vis-à-vis the guarantee scheme for reimbursement of its deposits in terms of Section 2 (3) to (5) EinSiG up to the maximum limits as set forth in Section 8 EinSiG. Pursuant to Section 6 EinSiG, deposits created in connection with money laundering activities, bonds to bearer of the bank and liabilities from own bills of acceptance and promissory notes are not eligible for compensation. More information is available at www.dsgv.de/sicherungssystem.

Since the guarantee schemes of the Savings Bank Finance Group have been in existence, no clients of a member institute have ever suffered a loss of their deposits.

Important risk information (bail-in):

Please note that the bank shares, bonds, derivative contracts with banks and savings banks as well as other receivables against banks and savings banks across Europe are subject to special rules in the event of any threat to their going-concern status. This is due to the statutory recovery and resolution provisions that apply if a bank is to be wound up. These rules may have an adverse effect on the bank's investors/counterparties in the event that it must be wound up.

The statutory resolution instruments include the relevant authorities' write-down and conversion powers (»bail-in«). The ramifications of a »bail-in« for creditors depend materially on the ranking of the financial instrument concerned in the creditor hierarchy, which is illustrated in the liability cascade on the BaFin website. Further information on the financial instruments that are affected can be found at www.bafin.de (by entering the search term »liability cascade«).

If LBBW is the issuer (debtor) of the bonds held in your securities account or the counterparty to the derivatives contract, further information can be found on the LBBW website (www.lbbw.de). This website also sets out further information on the statutory provisions and their impact on investors/counterparties. Please read these details carefully. On request, we can also furnish you with this information in paper form.

In other cases, we advise you to consult the website of the issuer of the product in question to obtain further information.

B. Handling of conflicts of interest

We have taken precautions to prevent possible conflicts of interest between us, our management, our employees or other individuals/entities directly or indirectly connected with us by a relationship of control and you, or between our clients, from affecting the client interests. Further details can be found in the policy on management of conflicts of interest as set out in this brochure.

C. Information on services

We conduct all kinds of transactions customary in banking, in particular lending operations, account maintenance, deposit-taking business, securities transactions and custody business, payment transactions and others to the extent that the Landesbank Baden-Württemberg Act and the Ordinance of Landesbank Baden-Württemberg do not impose any restrictions.

Investment advice

In order to ensure high-quality investment advice, which improves the quality of client services and takes client interests into account in the best possible manner, the Bank includes in its portfolio a broad range of products by various issuers. Given an incalculable number of products by countless issuers around the globe, which are available today, the Bank offers primarily own financial instruments and selected financial instruments of certain issuers that comply with the Bank's selection criteria.

Your customer relationship manager will provide you with details and information about individual products. Furthermore, prospectuses that have been published in accordance with the German Securities Prospectus Act (Wertpapierprospektgesetz, WpPG) as well as, if applicable, Key Investor Information Documents (KIIDs) and product information sheets (Produktionsinformationsblätter)/Key Information Documents (KIDs) are available on the issuer's website.

If investment advice has been provided by us and for our non-advisory order services please note that we are not supervising the performance of the portfolio and of individual financial instruments, except for the statutory loss threshold reporting pursuant to Article 62 of the Commission Delegated Regulation (EU) 2017/565. This does not rule out, however, that we will approach you with an investment idea, for example when an instrument has reached maturity.

Non-advisory business

Non-advisory transactions comprise investments executed based on your own decision and independent of a personal investment recommendation provided by the Bank. In these cases, we merely obtain the required information regarding your knowledge and experience as far as required by law; this does not comprise information about your investment objectives and financial situation.

Client classification and level of protection

In accordance with the relevant legal requirements, we will classify you as »retail client«, »professional client« or »eligible counterparty« before the first securities-related transaction or ancillary services have been rendered. A classification as »professional client« or »eligible counterparty« reduces the level of client protection.

You can apply in writing for a change of your classification. This applies to a potential reclassification to a higher level of protection, meaning a reclassification as a professional client or retail client, if you were classified as an eligible counterparty, or the reclassification as a retail client, if you were classified as a professional client. If the statutory requirements are given, this also applies to the reclassification to a lower level of protection, meaning the reclassification as a professional client, if you were classified as a retail client, or the reclassification as an eligible counterparty, if you were previously classified as a professional client. In the event of a reclassification to a lower level of protection, we will provide you with information about any reductions to the level of client protection resulting from the reclassification.

General Information about prospectus supplements

The securities prospectus prepared **in accordance with the EU Prospectus Regulation** (Regulation (EU) 2017/1129) includes a detailed description of the respective security.

If certain legal conditions are met, a supplement to the securities prospectus may be published. All significant new factors, material mistakes or inaccuracies regarding the information in the securities prospectus are to be listed in the supplement.

The issuer publishes the supplement on its website in accordance with statutory regulations.

If you have acquired or subscribed a security and a supplement is published to the securities prospectus for this, you may be entitled to a right of revocation in accordance with Article 23 (2) of the EU Prospectus Regulation. The statutory revocation period is currently two working days. The supplement will contain information about the expiration of this deadline, which the issuer can choose to extend. Your adviser would be happy to help you exercise this right of revocation.

We will promptly inform you if you may be entitled to a right of revocation for the security in question, but the short time limit stated above means that you must have an electronic mailbox. If you do not have an electronic mailbox, please contact your adviser. Or you can apply for it directly online at www.bw-bank.de/postfach-einstellungen.

D. Information about the product's target market

Target markets are defined for securities and other financial instruments. The target market describes the client groups, at which this product is aimed. In context with the investment recommendation or before an order is placed, your customer relationship manager will inform you about the target market of the recommended product or the product you are interested in, respectively, on request. In the case of non-advisory transactions we will only review the target market with regard to the target market criterion client category and, if required by law, knowledge and experience.

E. Information on Data Protection

We process your personal data that is required for providing services related to securities and other financial services. This data is processed so that we can perform contracts entered into with you (e.g. consulting contracts, securities deposit contracts) and to meet our statutory obligations (e.g. from the German Securities Trading Act).

F. Information on withholding tax for capital gains without liquidity intake

If we are unable to withhold capital gains tax from a liquidity inflow (e.g. in the event of an advance flat rate for investment funds or the recognition of bonus shares), we are legally authorized to debit the capital gains tax incurred to a customer account held with us. A current account overdraft (authorized account overdraft) which is not fully drawn down will not be debited if you object to the current account overdraft being used prior to the inflow of capital gains.

If the available balance, including the available current account overdraft, does not cover the tax amount or does not cover it in full, we are legally obliged to report the full capital gain to the tax authorities.

G. Reference to the management of complaints

Our regulations governing the handling of client complaints are set out in our policy on the management of complaints. The policy has been published on the LBBW website.

Policy on management of conflicts of interest*

The Bank has taken the following measures to prevent that conflicts of interest that may arise between the Bank, its Board of Managing Directors, its employees and tied agents or other persons directly or indirectly linked to the Bank by control, and its clients or between one client and another have no adverse effect on the interests of clients:

I. At our Bank, conflicts of interest may arise

between our clients and

- a. our Bank (including companies of our group),
- b. the relevant persons employed at our Bank or persons associated with them, including our Board of Managing Directors,
- c. persons linked to our Bank by control and
- d. other clients

in connection with the following investment services / ancillary services:

- a. principal brokering service (purchase or sale of financial instruments in one's own name for the account of others),
- b. proprietary trading (purchase or sale of financial instruments for own account as a service for third parties),
- c. proprietary business (purchase or sale of financial instruments for own account but not as a service for third parties),
- d. contract brokering (purchase or sale of financial instruments in the name of a third party for the account of others),
- e. investment brokerage (the brokering of transactions involving the purchase and sale of financial instruments or supporting documentation thereof),
- f. underwriting business (underwriting of financial instruments at one's own risk for placement in the market or the assumption of equivalent guarantees),
- g. placing business (placing of financial instruments without a firm commitment basis),
- h. portfolio management/asset management (administration of individual or several portfolios invested in financial instruments for others on a discretionary basis),

- i. investment advice (provision of personal recommendations relating to transactions in certain financial instruments to clients or their representatives insofar as the recommendation is based on an evaluation of the investor's personal circumstances or is presented as being suitable for the investor and is not provided exclusively via distribution channels or for the general public),
- j. safe custody business (safe custody and administration of financial instruments for the account of others and services connected thereto),
- k. granting of credits or loans to others for the carrying out of investment services provided the (group) company granting the credits or loans is involved in these transactions,
- l. provision of advice to companies with respect to the capital structure and the industrial strategy as well as the provision of advice and services relating to the acquisition and mergers of companies (M&A business),
- m. foreign exchange transactions which are connected to investment services,
- n. production, distribution or communication of financial analyses/investment recommendations (or other information concerning financial instruments or their issuers which directly or indirectly contain a recommendation relating to a specific investment decision),
- o. services which are connected to underwriting business and
- p. services relating to an underlying instrument within the meaning of Section 2 (3) No. 2 or 5 of the German Securities Trading Act (WpHG)

in particular

- a. from personal relationships of relevant persons (managers or employees or persons associated with them)
 - a. of our Bank with issuers of financial instruments, e.g. through membership in supervisory boards, boards of directors or advisory boards and/or
 - b. of issuers of financial instruments with our Bank (e.g. as clients of our Bank)

and

- b. from relations of our Bank with issuers of financial instruments where
 - a. the relevant issuer is a subsidiary of our Bank or
 - b. our Bank has a direct or indirect interest in the relevant issuer of financial instruments

* As at 1 July 2020

and if our Bank

- c. is involved in the issuances of the relevant issuer of financial instruments,
- d. is a lender/provider of a guarantee to the issuer of financial instruments,
- e. is involved in the production of a financial analysis / investment recommendation relating to the relevant issuer of financial instruments,
- f. makes/receives payments to/from the relevant issuer(s) of financial instruments,
- g. has entered into cooperations with the relevant issuer of financial instruments or
- h. operates/holds joint direct or indirect subsidiaries/ interests with the relevant issuer of financial instruments,
- i. or if a company of our group has granted a loan or credit to the issuer, which is to be repaid with the proceeds of an issuance managed by us.

II. Conflicts of interest may also arise if

- a. our Bank or individual relevant persons within our Bank have information which is not yet in the public domain at the time of the client transaction,
- b. incentives exist for the preference of a certain financial instrument e.g. in analysis, advice, recommendation or execution of an order or
- c. policies and objectives (sales targets) are defined which directly or indirectly concern the turnover or volume of or the profit from the transactions recommended as part of their investment advice.

III. As an investment firm, we ourselves and our employees

are required, in accordance with the legal provisions, to provide the investment services and ancillary services referred to in point I in an honest, fair and professional manner in the interests of our clients and to avoid, to the extent possible, any conflicts of interest. Independently of this, we have established a compliance organization that comprises, in particular, the following arrangements:

- a. the setting up of areas of confidentiality with Chinese walls, i.e. virtual and/or physical barriers to restrict the flow of information,
- b. obligation to disclose all transactions in financial instruments in connection with employees, where conflicts of interest may arise within the scope of their activities,
- c. maintenance of a watch list and/or a restricted list in which financial instruments with potential conflicts of interest are recorded. Transactions in financial instruments from the watch list are allowed, but are monitored centrally; transactions in financial instruments from the restricted list are prohibited,
- d. maintenance of an insider list. This list includes all relevant persons within our Bank who have access to inside information as part of their function (including time and type of the information) and is updated whenever required,
- e. ongoing monitoring of all transactions of relevant persons working in our Bank,
- f. execution of orders in accordance with our Best Execution Policy and/or as instructed by the client,
- g. rules on the acceptance of gifts and other benefits,
- h. training of our employees,
- i. monitoring observance of client's interests in the design and implementation of sales targets and
- j. observing client's interests in the introduction, appropriate design and implementation of the compensation system,
- k. observing client's interests in the course of our product monitoring,
- l. exchanging information with group companies that function as providers of loans, unless this would violate information barriers we had set up to protect the client's interests.

IV. If, in exceptional cases, conflicts of interest

cannot be avoided by the above division of responsibility or our compliance organization, we will notify our clients accordingly and in line with this policy. In these cases, we will abstain from providing an opinion, advice or recommendation on the financial instrument in question on account of the priority given to customer interests.

V. At the client's request, we will

provide further details on these potential conflicts of interest.

General information for clients about inducements*

Dear Client,

We supply comprehensive information and tailored advice to help you with your investments in securities and other financial instruments. In particular, we provide our expert support for your investment decisions, taking into account your personal experience and knowledge of financial instrument trading, your financial situation, your investment objectives and your risk profile.

We also provide support after your investment decision. On request, we will review in an advisory meeting if your financial instruments are still the appropriate choice for you.

With regard to asset management, we will only execute transactions that are appropriate for the relevant clients, based on the information obtained. Moreover, each client receives an accountability report for the assets managed at the end of each quarter. This refers exclusively to contractually agreed asset management (management of financial portfolios).

The quarterly reports inform our clients about the way in which the desired investment strategies and principles were taken into account for the investment decisions. This service is costly as it requires sophisticated staffing and organization. To cover these expenses, our sales partners provide us with **sales remuneration**, e.g. in the form of **inducements**. This can be in the form of **cash payments** or in the form of **other equivalent non-monetary benefits**. **Inducements in the form of monetary payments** are paid either one-time or ongoing. **Non-recurring inducements** are paid to us by our sales partners as a one-time fee based on sales. **Ongoing inducements** are paid to us by our sales partners as a recurring remuneration based on the portfolio. We may receive inducements in the form of non-monetary benefits (sometimes only as a low-value benefit) from product and service providers. Essentially, these are Employee-oriented benefits in kind (e.g. technical support services, information material on products and the market, general sales support), Employee-oriented services (e.g. Training measures, lectures, specialist conferences, consultancy services) and Customer-oriented material and services (e.g. sales material, customer events and lectures, give-aways). We always organize this in such a way as to ensure that these inducements do not harm your interests as a client, but on the contrary support and further improve the quality of the securities services and ancillary services.

Independently of this, we inform you in each case of the current sales remuneration pertaining to recommended financial instruments we receive from our sales partners particularly for the sale of shares in investment funds, the sale of share certificates or structured bonds or the sale of interest-bearing securities or for the underwriting of share issues and placing of shares.

Investment service companies which provide investment advice are obliged to inform their clients, for instance, whether the investment advice is being furnished on a fee basis or not (see Section 64 Para. 1 Sentence 1 of the German Securities Trading Act and Article 52 MiFID II Commission Delegated Regulation). Accordingly, we wish to inform you that, as has previously been the case, the investment advice which we provide is not fee-based. This means that we do not charge any separate fee for the provision of our advisory services. However, under Section 70 of the German Securities Act, we are permitted to receive inducements from our sales partners in connection with the provision of investment advice. We are using the inducements received to maintain and improve the quality of the securities services and ancillary services we render. Furthermore, the provision of commission-based investment advice has no impact on the independence of our advisory services.

Moreover, we provide you below with general information on the inducements.

This information is intended to create a maximum of transparency as a basis for your investment decision.

1. Shares in investment funds

Non-recurring inducement: When issuing fund shares, investment companies impose an initial sales charge that we receive as a one-time remuneration in an amount that may equal up to 100 % of the initial sales charge. The amount of this remuneration is, for example, usually between 0.1 and 5.5 % of the net asset value of the share for bond funds and between 0.1 and 5.75 % of the net asset value of the share for equity funds, open-ended real estate funds and mixed funds or funds of funds.

Ongoing inducement: In the case of so-called »no-load funds« no initial sales charge is imposed, but instead an ongoing inducement is deducted from the fund's assets to improve the service we provide. We will receive this ongoing inducement for the period for which you keep the fund shares in your securities account.

In some cases, we will also receive an ongoing inducement in the case of funds with an initial sales charge, which will typically be lower than is the case for a fund without an initial sales charge. The amount of the ongoing inducement is, for example, usually between 0.1 and 1.2 % per annum for bond funds, between 0.1 and 1.5 % per annum for equity funds, between 0.1 and 0.6 % per annum for open-ended real estate funds and between 0.1 and 1.7 % per annum for mixed funds or funds of funds.

2. Investment certificates or structured bonds not issued by LBBW

Non-recurring inducement: On some of their investment certificates and structured bonds, the issuing houses impose a one-time initial sales charge which is, depending on the type of product involved (bonus certificate, express certificate, alpha certificate, etc.) and the specific term of the product, usually between 0.1 and 5 % of the price or of the nominal amount/nominal value.

Ongoing inducement: In exceptional cases, ongoing inducements are also charged in connection with the sale of investment certificates or structured bonds, as long as such investment certificates are held in your securities account. If ongoing inducements are also paid for the sale of investment certificates or structured bonds, the ongoing inducement is usually between 0.1 and 1.5 % per annum.

3. Interest-bearing securities not issued by LBBW

On selling interest-bearing securities, we will receive a onetime inducement from the issuers or sales partners, which is usually between 0.1 and 3.5 % of the price or the nominal amount/nominal value, depending on the term of the specific security concerned.

4. New shares issued and placing of shares

In some cases, we receive a payment from the issuer after allocation on the total allocation amount for subscriptions to share issues (one-time inducement). The underlying conditions are set by the issuer and/or the issuing syndicate. Your client adviser will be happy to inform you whether inducements have been received and provide you with details of the specific amounts.

5. Other financial instruments

If we receive inducements relating to other financial instruments, we will inform you of these separately in each individual case.

The client consents that the Bank can keep the inducements provided by the third party, given the Bank is permitted to receive such inducements pursuant to the German Securities Trading Act (especially Section 70 WpHG). To that extent, the client and the Bank make an agreement that deviates from the statutory provision regulating the right of agency (Sections 675, 667 German Civil Code (BGB), Section 384 German Commercial Code (HGB)) to the effect that the client has no right to the sales remuneration received by the Bank. Without this agreement, the Bank would be required to pass the sales remuneration on to its client, assuming the right of agency applies to the securities transaction executed between the Bank and its client.

6. Inducements granted by LBBW

In the course of providing investment services, LBBW may also grant inducements to distribution partners. These inducements granted by LBBW are also intended to improve the quality of services provided to the end client and not to prevent the proper provision of services in the best interest of the client.

Taking into account the aforementioned prerequisites, we will pay a sales remuneration to our distribution partners to compensate for the mediation of transactions (e.g. brokerage of OTC derivatives), the amount of which can vary depending on the concrete arrangement of the transaction. The relevant cost statement will show the amount of the sales remuneration granted.