

FinSA client segmentation

This information sheet informs you as the client about client segmentation according to the Swiss Financial Services Law (FinSA).

FinSA classifies clients domiciled in Switzerland as retail clients, professional clients or institutional clients. This classification serves client protection purposes and is based on the experience and financial expertise of the client. Natural persons as well as small and medium-sized companies enjoy the highest level of investor protection. As a matter of principle, SGKB classifies these clients as retail clients. Large companies, companies with professional treasury operations, pension funds and financial intermediaries are classified as professional or institutional clients. Unless we tell you otherwise, you will be classified as a retail client.

Retail clients enjoy the highest investor protection, professional clients enjoy medium investor protection, and institutional clients are subject to the lowest investor protection. If you would like to switch into a client segment other than the one assigned to you, please contact your client advisor. Your client advisor will tell you the conditions under which you can change to a different segment.

Our services	Retail clients	Professional clients	Institutional clients (legal entities only)
In the context of investment advisory services and asset management, we conduct an appropriateness and suitability test. Within the scope of this test, the bank investigates the knowledge and experience as well as the financial situation and investment objectives of the client.	Yes ¹	Limited ²	No
We document your needs and the reasons for our recommendation in the context of investment advisory services and send you the documents on request.	Yes	No	No
You have access to funds for qualified investors pursuant to the amended Swiss Collective Investment Schemes Act (CISA).	No ³	Yes	Yes
When purchasing certain financial instruments, we provide you with a basic information sheet (BIS) within the scope of the investment advisory services; in the case of execution-only transactions, a BIS will be provided only if such is available.	Yes	No	No
We ensure best execution of your securities orders in terms of the financial result, time and quality. ⁴	Yes	Yes	No

This overview only lists individual obligations applicable to the respective client segments. Additional regulatory requirements or contractual agreements may apply.

Please feel free to contact your advisor if you have any questions concerning the client segmentation.

St.Galler Kantonalbank AG, St.Gallen, October 2020

¹ When merely executing or transmitting client orders (execution only), no appropriateness or suitability test is conducted. In the context of purely transaction-related advice (e.g. fund account, pillar 3a), only an appropriateness test is conducted.

² With regard to professional clients, the statutory assumption is that they have the needed knowledge and experience and that the investment risks associated with the financial services are financially acceptable to them. Therefore, the bank only checks whether the financial service is compatible with the investment strategy.

³ Clients with a permanent asset management agreement (e.g. SGKB "COMFORT" investment package) or with a portfolio that is managed by an external asset manager (EAM) are classified as qualified investors pursuant to CISA and can purchase funds for qualified investors.

⁴ In this context, please refer to our detailed execution policy on our website: www.sgkb.ch/aufuehrungsgrundsaeetze