



Varengold

BANK

CUSTOMER INFORMATION ON THE SECURITIES BUSINESS

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Dear customer,

as Varengold Bank AG (the Bank), we are pleased to welcome you as a customer. With this brochure we would like to inform you about the Bank and our services in the securities business.

We look forward to working with you and wish you every success with your securities transactions.

With kind regards

Varengold Bank AG



I. Information about Varengold Bank AG

Information about the Bank Pursuant to Section 63 (7) of the German Securities Trading Act (Wertpapierhandelsgesetz WpHG) in conjunction with Delegated Regulation (EU) 2017/565, you are hereby provided with the information required by the supervisory authorities about the investment services and ancillary services we offer.

This information is valid until further notice.

1. Name and address

Name	Varengold
Adress	Große Elbstraße 39
City, postcode, country	22767 Hamburg, Deutschland
Telephone number	+49.40.66 86 49 0
Fax number	+49.40.66 86 49 49
E-Mail	info@varengold.de
Internet	www.varengold.de

2. Competent supervisory authorities

Banking Supervision Division (banking licence pursuant to § 32 of the German Banking Act (KWG))

Federal Financial Supervisory Authority (BaFin)	
Adress	Graurheindorfer Straße 108
City, postcode, country	53117 Bonn, Deutschland
Or	PO Box 1253
City, postcode, country	53002 Bonn
Internet	www.bafin.de

Supervisory authority responsible for the area of securities supervision / asset management

Federal Financial Supervisory Authority (BaFin)	
Adress	Marie-Curie-Straße 24-28
City, postcode, country	60439 Frankfurt, Deutschland
Or	PO Box 50 01 54
City, postcode, country	60391 Frankfurt
Internet	www.bafin.de

3. Communication and language Tools

The relevant languages for this contractual relationship, communication with the client and the placing of orders by the client during the term of the contract are German and English. The Bank and the Client may generally communicate with each other in writing, by fax, by e-mail, via the Internet (electronic trading and online banking platforms) and by telephone.

If the Bank cannot be reached via one of the aforementioned means of communication when the order is placed, the Client shall be obliged to use another of these means of communication.

4. Electronic communication

As an investment services company, we are legally obliged to provide you with information in electronic form. Unless you are a private client within the meaning of the WpHG and have expressed your wish to us that we provide you with the information in written form. In this case, we will provide you with the information in written form free of charge.

For more information on the legal obligations to record telephone and electronic communications, please see section D.

5. Information about the services

Varengold currently provides the following investment services and ancillary services:

- Custody business (section 1 (1) sentence 2 no. 5 KWG)
- Proprietary business (Section 32 (1a) KWG)
- Proprietary trading (Section 1 (1a) sentence 2 no. 4 KWG)
- Financial commission business (section 1 (1) sentence 2 no. 4 KWG)

Varengold does not provide fee-based investment advice or investment advisory services.

Within the scope of the advisory-free business, the customer makes his investment decision independently of a personal recommendation by the Bank. The bank merely assesses the appropriateness of the client's investment decision. In doing so, the bank only checks whether the knowledge and experience stated by the customer are appropriate for the desired transaction. Whether the investment fits the financial circumstances and the investment objectives of the client is not checked here. If the client provides no or insufficient information on his knowledge and experience, this cannot be assessed by the bank in the advisory-free business. In the case of professional clients and suitable counterparties within the meaning of the WpHG, the bank may regularly assume that the required knowledge and experience are available.

II. Client category

Varengold shall treat customers in the provision of its business activities in connection with securities and ancillary securities services either as private customers or as professional customers within the meaning of Section 67 WpHG, unless otherwise specified. If the Customer is classified as a professional customer, it shall be informed of this in writing.

III. Information on financial services and contractual documents about securities business

Varengold generally provides its customers with information on financial instruments in the following documents:

- Special Conditions for Dealings in Securities and
- Special Conditions for Forward Transactions and
- Terms and conditions
 - General terms and conditions
 - Conditions for Online Banking
 - Conditions for the transfer of funds
 - Conditions for communication with the Bank
 - Information sheet for the depositor
 - Data protection
 - Notes on the international automatic exchange of information on financial accounts in tax matters
 - Conditions for payments by direct debit in the SEPA core direct debit scheme
 - General List of Prices/Services in Standardized Business Customer Business and for General Services
- If applicable, framework contract for financial futures transactions
- Annex for foreign exchange transactions/ options on foreign exchange transactions, if applicable
- If applicable, framework agreement securities loan
- If applicable, master agreement for securities repurchases agreements (repos)

1. Notification of provided services

The type frequency, and timing of notifications of services provided are set out in Varengold's General Terms and Conditions, or in the relevant individual contractual terms and conditions, and can additionally be requested from the support team.

2. Reference to brochures

We would like to point out that in the case of securities that are offered to the public, the prospectus is available from the issuer and, as a rule, on the issuer's website, and a printed version can be requested from the issuer.

3. Reference to risks and price fluctuations of financial instruments

Transactions in financial instruments are subject to specific risks due to their specific characteristics or the operations to be carried out. In particular, the following risks should be mentioned:

- Price change risk / risk of declining or rising prices of traded financial instruments
- Credit risk (default risk or insolvency risk) of an issuer
- Possible total loss of the client's investment including transaction costs
- Leverage effect / Leverage effect
- Exchange rate risk due to exchange rate fluctuations

Further information on risks can be found in the risk notices/instructions in the Varengold account opening documents.

The price of a financial instrument is subject to fluctuations on the financial market over which the Bank has no influence. Therefore, a transaction in financial instruments cannot be revoked. Income generated in the past (e.g. interest, dividends) and increases in value achieved are no indicator of future income or increases in value of financial instruments.

The customer should only enter securities transactions or transactions in financial instruments if he has sufficient experience and knowledge around securities investment and a corresponding willingness to take risks. For the (further) risks, we refer to the basic information provided by Varengold.

4. References to taxes and costs to be paid by the customer

Income from transactions with financial instruments is generally taxable. The same applies to gains from the acquisition and sale of financial instruments. Depending on the applicable tax law (domestic or foreign), capital gains and/or other taxes may be incurred when income or sales proceeds are paid out (e.g. withholding tax under US tax law), which are paid to the respective tax authority and therefore reduce the amount payable to the client.

If you have any questions, please contact the tax authority responsible for you or your tax advisor. This applies if you are liable to pay tax abroad.

All costs not paid or invoiced by Varengold (e.g. for long-distance calls, postage) must be paid by the customer.

5. Notes for shareholders

We would like to point out that in application of sections 67a (3) and 67b of the German Stock Corporation Act (AktG), notifications pursuant to section 125 (1) of the AktG (documents relating to Annual General Meetings) will be sent to you exclusively in electronic form as far as available. A postal transmission is not intended.

This approach considers the increasing importance of the internet and is in line with our efforts towards greater sustainability.

IV. Costs and incidental expenses

Please refer to the regulations of the General List of Prices and Services of Varengold for the costs and ancillary costs incurred by Varengold. We agree the prices for our securities business separately with you. You will receive a price overview with the opening of your account.

V. Legal obligation to record telephone and electronic communications

Due to legal requirements, Varengold is obliged to record all electronic and telephone communication that could lead to an order being placed and to retain this for at least 5 years. Pursuant to section 83 (8) WpHG. BaFin may extend the retention period by a maximum of 2 further years to a total of 7 years, if necessary.

During the retention period, you have the right to request the surrender of records.

If you do not wish to be recorded, please inform us in writing. In this case, it is not possible for us to conduct electronic and telephone communication (e.g. placing orders by telephone) with you.

VI. Deposit guarantee

Varengold is a member of the Compensation Scheme of German Banks (EdB), PO Box 110448, 10834 Berlin. For more detailed information on deposit protection, please refer to the notes in the account opening documents.

VII. Payment and performance of the contract

1. Start of the execution of the respective contract

Varengold shall not commence performance of the service(s) requested by customers until all required account opening documents, including the required contracts completed and signed by the customers and any other required documents, as well as the customers' trading capital earmarked for margin services, have been received by the relevant custodians used by Varengold.

2. Payment of the fees by the customers

The respective accounts of the customer shall be debited with the applicable charges in accordance with the General List of Prices and Services of the Bank, unless otherwise stipulated in the individual contract.

VIII. Execution principles

Pursuant to Section 82 of the German Securities Trading Act (WpHG), every securities service company must establish a "Best Execution Policy" or general execution principles. Varengold is obliged to ensure that all necessary measures are taken to achieve the best possible result for customers when executing trading orders.

If, when placing an order, the client does not give the investment firm express instructions as to which execution venue the order is to be routed to, the rules on best execution shall apply to achieve the best possible result for the client when executing the order.

The scope of application of the Execution Policy extends to the execution of orders from retail clients as well as professional clients or the purpose of acquiring or disposing of securities or other financial instruments. Eligible counterparties are not covered by the rules.

The principles do not apply as far as financial instruments are held in custody at third-party banks and the order execution takes place within the scope of the forwarding to the third-party bank. In this case, the respective execution policies of the third-party banks shall apply. The execution policies shall be reviewed by the Bank on a regular basis. The Bank reserves the right to amend the Execution Policy at its reasonable discretion without the Client's consent. The amended version shall be published four weeks after its publication on the Bank's Internet homepage under the following link: <https://www.varengold.de/rechtliches/legal-compliance/> in the category "Compliance". If the Customer has detailed questions about individual points of the Execution Policy, Varengold will be happy to provide information on individual request.

1. General execution principles

(1) Trading activities of the Bank

The Bank's trading activities take place in the Treasury division. Most of the financial instruments are traded "over the counter" (OTC), for which there is no execution venue or stock exchange in the narrower sense. In addition, clients who maintain a securities account have the option of instructing the bank to execute buy and sell orders in primary and, if applicable, derivative financial instruments. Such orders are processed as fixed-price transactions or commission business.

(2) Trading venues

When selecting trading venues, the Bank considers those that are competitive in terms of price, cost, speed of execution and order size.

(3) Execution via third party banks

The Bank shall exclusively commission credit institutions with the execution of client orders, except for OTC transactions. When selecting the above-mentioned credit institutions, the Bank shall pay attention to their reputation, the quality and scope of the service offered and their applicable execution policies. In these cases, the respective execution policies of the third-party institutions shall apply.

(4) Collective order

The bank does not combine different customer orders into one order (collective order).

2. Execution criteria

The focus is not only on the best possible price, but rather on achieving the best possible result for the client, taking into account the available resources. Furthermore, the bank is obliged to implement processes that ensure fast, fair, and immediate order execution. It must be ensured that all clients are treated equally and that their interests do not collide with those of the bank.

During the order execution process, the bank initiates all measures to achieve the best possible result for client transactions. In this context, all factors that can influence the best possible result are taken into account. These are about:

- the price, including possible transaction costs and taxes.
- Amount of the transaction costs
- Effect of the order on the relevant market
- Speed of order execution
- Probability of order execution
- Type and scope of the order

- Price or price developments before and during order execution
- Any other consideration relevant to the execution of the order; and
- Fee agreements

3. Fixed price business

In the case of orders within the scope of a fixed-price transaction pursuant to No. 1 (3) of the Special Conditions for Securities Transactions, the Bank shall ensure organizationally that these are executed at market conditions. In this case, the bank and the client are directly obliged, in accordance with the contractual agreement, to fulfil the mutual obligations arising from and in connection with the establishment of these financial instruments. This applies accordingly if the Bank offers securities for subscription within the framework of a public or private offering.

4. Commission business

In the case of commission transactions in accordance with section 1 paragraph 2 of the Special Conditions for Securities Transactions, Varengold currently will forward the orders to other banks / securities service providers ("third parties"). Varengold selects these third parties based on the following criteria:

- Quality and scope of the service offered
- Quality of execution
- Technological equipment and IT structure
- Reputation of the third party in the market
- Cost structure and pricing
- Ability of the third party to provide individual services in accordance with Varengold's wishes to achieve the best possible execution of customer orders.

The same criteria for the selection of third parties executing client orders also apply to the settlement of OTC transactions. Primarily, the weighting of the criteria and thus the selection of third parties for the forwarding of customer orders or for the settlement of OTC transactions is carried out with the objective of a secure, cost-efficient, and high-quality service or order execution for the customer via Varengold. The Bank will regularly review the execution policies of the third parties selected by it to which it forwards orders in order to ensure that the best possible execution of customer orders can be achieved in this way.

A forwarding of client orders to third parties can generally take place for the following classes of financial instruments:

- Equity instruments (e.g. shares)
- Debt instruments (e.g. corporate bonds, government bonds)
- Structured financial products
- Securitized derivatives other exchange-traded products (e.g. funds)

5. Instruction business

The Bank's Execution Policy does not apply to instruction transactions, as the client instruction must be given priority. The client instruction must always be followed. A client instruction is only valid for the respective order placed. Client instructions must be documented and archived in a comprehensible manner.

IX. Principles on dealing with conflicts of interest

Varengold offers its customers a wide range of financial services. Conflicts of interest cannot always be ruled out in advance. In accordance with the requirements of the Securities Trading Act, we therefore provide the following information about such possible conflicts and our precautions for dealing with such conflicts of interest.

6. Emergence of conflicts of interest

Conflicts of interest may arise between Varengold, our management, our employees or other persons associated with our company and our customers or between our customers.

In particular, conflicts of interest may arise:

- If Varengold does not provide its services exclusively for the principal, but also to third parties. Their interests may collide with those of the principal. Even if Varengold makes every effort to avoid such conflicts, it cannot be ruled out that this will not fail in individual cases. If such conflicts occur, the risk cannot be excluded that they will be decided to the detriment of the principal.
- From Varengold's own revenue interest in high transaction volumes and frequencies in the financial instruments selected and traded by the customer and the remuneration for Varengold resulting from these transactions.
- Through performance-related remuneration of employees or the granting of benefits to or by them (for example, non-cash benefits).
- If the Bank could receive remuneration from third parties in connection with securities transactions (for example, sales follow-up commissions). However, this is not envisaged at the time these principles were drawn up.
- By obtaining information that has not been publicly disclosed (so-called inside information).
- From other business activities of Varengold, in particular the Bank's interest in proprietary trading profits and in the sale of its own (issued) financial products.
- From Varengold's interest in selling its own financial products due to internal incentives, performance-related remuneration systems and the guarantee of benefits.
- From personal relationships of Varengold employees or management or persons associated with them or when these persons participate in supervisory or advisory boards.
- From the relationship of our bank with issuers of financial instruments and products, for example when participating in issues or in cooperations.

Varengold will provide you with further details of this policy on request.

7. Measures to avoid conflicts of interest

To ensure that extraneous interests do not impair the execution of customer orders, Varengold has set itself and its employees high standards. These include the observance of market rules with constant consideration of the customer's interest as well as lawful and professional action. As a matter of principle, the interest of the customer has priority.

To this end, the following measures in particular have been taken:

- Establishment of an independent compliance function under the direct responsibility of the Executive Board. This function is responsible for the continuous monitoring of potential conflicts of interest.
- Maintaining an insider list, which serves to monitor sensitive information and prevent the misuse of insider knowledge;
- Determination of the remuneration principles in the Bank's remuneration regulations;
- Regulations on the acceptance and granting of benefits as well as their disclosure.
- Employees who may have conflicts of interest in the course of their work are obliged to disclose their securities transactions to the Compliance Office;
- Staff training;
- Creation of new and maintenance of existing confidentiality areas. For this purpose, individual areas within Varengold are spatially separated, among other things.
- Implement a new product approval process that involves all relevant departments.

Furthermore, the internal controls and measures to avoid conflicts of interest are constantly being developed. To the extent that the above precautions are not sufficient to avoid the risk of impairment, Varengold will disclose to you the general nature and origin of the conflict of interest before executing a transaction. Where appropriate, we will refrain from advising or recommending the financial product in question in such cases.

X. General information for clients on grants

Varengold does not accept any benefits in connection with the provision of securities services and ancillary services.

XI. Data protection notice

Within the scope of providing securities and other financial services, the Bank processes the personal data of the customers required for this purpose. The purpose of this is solely the fulfilment of the contractual obligation and the fulfilment of the regulatory requirements imposed on the Bank (e.g. from the WpHG). In this context, please also refer to the Bank's data protection declaration at: <https://www.varengold.de/rechtliches/datenschutz>

XII. Bank recovery and resolution ("bail-in")

The legal regulations relating to bank recovery and resolution, which come into play in the event of a resolution, mean that shares and bonds of banks as well as other claims against banks and savings banks are subject to special regulations throughout Europe in the event of a threat to their existence. According to the legal provisions, these include the write-down and conversion powers of the resolution authorities (e.g. so-called "bail-in"), which can have a negative impact on the investor or contractual partner in the event of the bank being wound up. Further information on the basic order of liability, in particular which liabilities may be specifically affected by this, can be found at: www.bafin.de (search term: "Haftungskaskade").