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Information about Sifter Capital Oy and its investment services

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1. General

This document compiles information about Sifter Capital Oy ("Sifter Capital") as required by the Investment Services Act, including the investment services offered and the procedures followed in the provision of these services. Additionally, it contains information about the most common financial instruments and their typical risks.

2. Information about Sifter Capital

Sifter Capital is a Finnish investment service company licensed by the Financial Supervisory Authority to provide asset management, order transmission, investment advice, and ancillary services such as investment research and financial analysis under the Investment Services Act.

Sifter Capital is registered with the Trade Register maintained by the Finnish Patent and Registration Office with Business ID 2699119-9.

The company's registered office is in Helsinki, located at Kasarmikatu 14 A 3, 00130 Helsinki.

The Financial Supervisory Authority, Snellmaninkatu 6, PO Box 103, 00101 Helsinki, phone +358 10 831 51, fax +358 10 831 5328, supervises Sifter Capital's activities under the Investment Services Act. More information: www.finanssivalvonta.fi.

3. Information about investment services offered by Sifter Capital

Securities Brokerage

Sifter Capital acts as a distributor for the Sifter Fund Global and, thus, offers the service of receiving and transmitting orders related to this fund.

Asset Management

Sifter Capital acts as the portfolio manager for the Sifter Fund Global in accordance with its asset management license.

Investment Advice

Sifter Capital can provide investment advice to professional clients as agreed separately.

Ancillary Services

Sifter Capital can provide investment research and financial analysis as ancillary services.



4. Methods of communication

Sifter Capital is entitled to send written information related to the investment service to the customer by mail, email, or another agreed-upon method.

Sifter Capital does not accept orders by phone.

Customers can communicate with the company by mail, email, and personal meetings with their representatives. Orders related to financial instruments can be given in a personal meeting. Customer service is provided in Finnish.

Reports related to the service and the frequency and timing of delivery are specified in the service terms or any agreement.

The customer is aware that using email as a means of communication involves specific risks, including security issues. Sifter Capital has the right to rely on the authenticity and accuracy of messages received via email.

5. Costs and fees related to investment and ancillary services

Securities Brokerage

The following describes the costs and fees related to the trading services of the Sifter Fund Global distributed by Sifter Capital Oy.

The fund's costs consist of subscription and redemption fees and a management fee, which can be fixed or performance-based. The Key Investor Information Document (KIID) of the fund includes a description of ongoing charges, which include all costs related to the fund's investments except for trading costs.

These costs are disclosed in the KIID, the fund prospectus, and the annual report.

The customer is directly charged subscription and redemption fees; all other mentioned costs are charged from the fund's assets.

Other Investment and Ancillary Services

The costs and fees for the service are agreed upon separately in the service contract.



6. Incentives

Incentives refer to payments and other benefits given or received by a third party in connection with providing investment or ancillary services. Acting as the distributor of the Sifter Fund Global, Sifter Capital receives approximately 85% of the management fee collected from the fund's assets as a rebate. This rebate covers the costs related to the distribution and marketing of the fund and enables offering this investment opportunity to interested clients.

7. Client classification

General Information on Client Classification

An investment service company must inform its client about their classification as a non-professional client, a professional client, or an eligible counterparty. The classification is determined directly by law, and the Investment Services Act includes detailed provisions on the factors influencing the classification. The client's classification affects the extent of investor protection and the applicable conduct of business rules. The criteria for client classification are detailed in the document "Client Classification Criteria".

Clients have the right to apply for a change in their classification. The application for a change must be made in writing. Changing the classification may affect investor protection and the applicability of conduct of business rules.

A professional client can be treated as a non-professional client or an eligible counterparty upon request. Similarly, a client previously classified as a non-professional client can be treated as a professional client upon meeting the criteria.

A client classified as an eligible counterparty can be treated as a professional or non-professional client upon request.

A professional client must request non-professional client treatment if the client believes they do not have sufficient experience and knowledge to assess or manage the risks associated with the service or transaction.

Effect of Client Classification on Investor Protection

Non-professional clients are covered by the Investor Compensation Fund, which compensates for losses incurred when the fund member fails to perform the clear and undisputed obligations owed to the investor in accordance with the agreement. However, the Investor Compensation Fund does not cover investment fund activities.

Non-professional clients also have the right to submit individual disputes concerning the application of the Investment Services Act to an independent body providing resolution recommendations. This body is the Securities Board.



Effect of Classification on Applicable Conduct of Business Rules

Non-Professional Client

Before entering into a written agreement, non-professional clients must be provided with the agreement's terms and sufficient information about Sifter Capital, the offered service, and the nature of the financial instruments and their associated risks. Significant changes in the information must also be communicated. Information must be provided in a durable medium, allowing the client to print or save it. Information can also be provided on the service provider's website if the client has consented to this.

When offering order transmission (securities brokerage) to a non-professional client, Sifter Capital must obtain information from the client about their investment experience and knowledge regarding the specific financial instrument or service to assess its appropriateness. Sifter Capital has the right to rely on the information provided by the client. If Sifter Capital considers the financial instrument or service inappropriate for the client, it must inform the client. Sifter Capital must also inform the client if it cannot assess the appropriateness due to a lack of necessary information.

Sifter Capital does not provide investment advice to non-professional clients.

Professional Client / Eligible Counterparty

Before entering into a written agreement for investment or ancillary services, professional clients must be provided with the agreement's terms and sufficient information about Sifter Capital, the offered service, and the nature of the financial instruments and their associated risks. Information must be provided in a durable medium, allowing the client to print or save it. Information can also be provided on the service provider's website if the client has consented to this. A professional client is only partially protected by conduct of business rules.

When offering investment advice to a professional client, Sifter Capital must obtain sufficient information about the client's financial situation, including loss tolerance and investment objectives, including risk tolerance, to recommend suitable financial instruments. If a client is classified as a professional client by law, Sifter Capital can assume that the client can financially bear the investment risks associated with the transaction, and it is not necessary to investigate the client's financial situation further.

Sifter Capital must evaluate whether the advice meets the client's investment objectives based on the obtained information. If Sifter Capital does not receive sufficient information, it must not recommend or offer the investment service to the client.



8. Client asset protection

Sifter Capital does not receive or hold client assets. However, Sifter Capital is a member of the Investor Compensation Fund.

According to Finnish law, non-professional clients are covered by the Investor Compensation Fund, which guarantees the payment of undisputed and due claims when the investment service company cannot pay the claims within a specified period due to other than temporary insolvency. The compensation payable to one investor is 9/10 of the investor's claim from one investment service company, up to a maximum of EUR 20,000. The fund does not compensate for losses due to stock price declines or incorrect investment decisions, so the client remains responsible for the consequences of their own investment decisions.

9. Principles of order transmission

Sifter Capital offers securities brokerage services by receiving and transmitting orders related to the Sifter Fund Global. Sifter Capital transmits subscription and redemption orders for the fund received from clients to the entity maintaining the fund's register and executing the fund's transactions, the European Fund Administration ("EFA"). When placing the first order, the client must also establish a client relationship with EFA. Sifter Capital does not receive client assets, and thus fund-related payments are handled directly between the client and EFA.

Sifter Capital receives client orders in writing during a personal meeting.

Sifter Capital does not provide credit or other financing for client securities trading.

10. Conflict of interest management

An investment service company must take reasonable measures to identify and prevent conflicts of interest and treat clients fairly when such situations arise.

A conflict of interest refers to an exceptional situation related to providing investment services that could pose a significant risk to the client's interests. It is possible that situations may arise at Sifter Capital where the interests of its clients conflict with those of Sifter Capital, its management, and staff, or conflicts of interest arise between Sifter Capital's clients.

Sifter Capital follows principles approved by the company's board for managing conflicts of interest to identify and prevent potential conflicts.

Conflicts of interest are managed, for example, through principles governing the trading activities of staff and management.



If a conflict of interest cannot be avoided despite these measures, the client will be informed of the nature and reasons for the conflict before the transaction. The client independently decides whether to proceed with the transaction despite the disclosed conflict of interest. Sifter Capital's board regularly reviews the content and up-to-dateness of the principles for identifying and preventing conflicts of interest.

11. Information about financial instruments and related risks

Investing always involves financial risk. The desired return may not be achieved, and the invested capital may be partially or completely lost. The client is always responsible for the financial consequences of their investment decisions. The historical performance of financial instruments is not indicative of future returns.

This section provides an overview of the most common financial instruments and their associated risks. The risks are not listed in order of importance, and the description is not exhaustive. Before making an investment decision, the investor should carefully review the terms, characteristics, and obligations of the financial instrument.

Return Risk refers to the risk that the value of a financial instrument, such as a stock, may fluctuate significantly during the investment period. If the value of the financial instrument does not develop as expected, the investment return may be low or zero. The value of a financial instrument on a given day does not necessarily reflect its realized or future return development.

Risk of Losing Invested Capital refers to the risk that different risk factors and conditions may lead to a decline in the market price of the financial instrument, resulting in the partial or complete loss of the invested capital.

Liquidity Risk refers to the risk that the financial instrument cannot be sold or bought at a specific time due to low trading volume or the absence of a secondary market. For example, if the shares being invested in are not publicly or multilaterally traded on any marketplace, the shares have no active or liquid secondary market. The risk is that a buyer cannot be found, or the offered price is lower than the subscription price or the actual value.

Issuer Risk (Credit Risk) refers to the risk that the issuer of the financial instrument cannot repay the principal or return of the financial instrument to the investor as per the issuance terms.

Market Risk refers to the risk arising from fluctuations in market prices. Interest Rate Risk refers to the risk arising from fluctuations in interest rates.

Currency Risk refers to the risk arising from fluctuations in exchange rates.



Counterparty Risk refers to the risk associated with the ability of the counterparty in off-exchange trading to meet its obligations.

Company Risk refers to the risk related to the activities and success of the company issuing the financial instrument, such as a stock.

Information About Common Financial Instruments and Their Related Risks Stocks

A stock is a security issued by a limited company, giving the right to the company's equity. The potential return on a stock investment comes from dividends and stock price appreciation. The value of a stock is based on the prevailing view of the issuing company's value. A stock can be publicly traded on a stock exchange or an alternative marketplace or be unlisted (unquoted stock).

From a shareholder's perspective, a stock investment is a risk investment. Stock investments carry the risk of losing the entire invested capital if the issuer goes bankrupt (counterparty risk). Stock investments also carry a return risk, meaning uncertainty about the size of the return. Unlisted stocks also carry a liquidity risk. Direct stock investments are long-term investments. Other typical risks of stock investments include price fluctuation risk and company success risk.

Convertible Bonds

Convertible bonds are interest-bearing securities (loans to the issuer of the convertible bond) that can be converted into shares within a certain period. The return on convertible bonds, i.e., the coupon interest, is generally higher than the dividends of the convertible shares. The price of convertible bonds is expressed as a percentage of the nominal value. Typical risks of convertible bonds include return risk, interest rate risk, and issuer risk.

Stock Options

Stock options come in many forms. Call options give the holder the right to buy already issued shares within a certain period at a predetermined price. Put options give the holder the right to sell shares within a certain period at a predetermined price. Each purchased option corresponds to a written option. The risk for the option buyer is that, without risk-limiting measures, the option's value may decrease or become worthless at expiration. In the latter case, the option buyer loses the paid premium. The risk for the option writer can be extremely high without special measures. Investing in stock options also involves the same risks as direct stock investments.

Corporate Bonds

Corporate bonds are debt instruments by which companies seek financing from the financial markets. Bonds are typically long-term investments of at least one year. A bond can have a fixed or variable interest rate or be zero-coupon, in which case the bond is issued below its nominal value. The value of the bond is determined by discounting the cash flows using the market's prevailing yield requirement. Cash flows consist of interest payments and the repayment of the bond's principal based on



the bond terms. Interest is usually paid at least annually. The loan is typically repaid in one installment at the end of the loan period. Bonds are usually unsecured.

If a bond has a lower priority than the issuer's other obligations, it is called a debenture bond. Due to higher risk, the interest on a debenture bond is higher than that on a regular bond from the same issuer, making it suitable for yield-seeking investors.

Corporate bonds always carry issuer risk. If the issuer risk materializes, the investor may lose the invested capital and potential return partially or completely. Other risks associated with corporate bonds are market and interest rate risks. If the bond is issued in a currency other than euros, it also carries currency risk.

Investment Funds

Investment funds pool customers' assets and invest in various previously described instruments, forming a fund. The investment fund consists of fund units. The fund investor subscribes to fund units, becoming a unit holder of the fund. The unit holders own the fund's assets. The value of the fund units at the time of purchase determines how many units are obtained with a certain amount. Like other investments, fund investing involves risks. Typically, money market funds have the lowest return expectation and risk, while emerging market equity funds have the highest. Each investment fund's characteristics and risks are described in the fund prospectus. The client should review the fund rules, the simplified prospectus, and the price list before making a fund subscription.

Using Credit for Investing

An investor can also engage in investing with borrowed funds. If the investment performs well, using credit can achieve a higher return than with only own funds. However, the investor must consider that if the investment performs poorly or loses its value completely, the borrowed funds must still be repaid. An investor considering borrowing to invest should always assess their ability to repay the loan regardless of the investment's performance. Loan costs may also rise during the loan period due to an increase in interest rates. If the investment's value no longer covers the loan's collateral requirement, the investor may have to provide additional collateral.

13. Taxation

Clients should note that the purchase, ownership, and sale of financial instruments have tax implications. Clients should ensure they obtain sufficient tax information before making investment decisions. Taxation is based on the client's individual circumstances and may change during the investment period.

More information about taxation can be obtained from the local tax office and the Tax Administration's website www.vero.fi.



14. Customer advice and handling of customer complaints

In service-related questions, clients should primarily contact their designated customer representative.

Clients should promptly notify Sifter Capital of any service-related errors and any associated claims.

Sifter Capital has established procedures for handling customer feedback and complaints to ensure that customer complaints and feedback are handled efficiently, fairly, and without delay. Feedback provides valuable information about service quality and customer satisfaction, helping to improve services and procedures.

All feedback and complaints about Sifter Capital are centrally managed. Therefore, customer feedback and complaints should be sent in writing to info@siftercapital.com or Sifter Capital Oy/Customer Service, Kasarmikatu 14 A 3, 00130 Helsinki.

Customer complaints will be responded to promptly and no later than within a week of receiving the contact. If this is not possible, for example, due to the need for additional information, the customer will be informed and given an estimate of the response time.

15. Legal remedies

In service-related questions, clients should primarily contact their designated customer representative. Clients should promptly notify Sifter Capital of any errors in the service and any associated claims. If a solution cannot be reached through negotiation, the client can seek assistance from the Insurance and Financial Advisory Service (FINE) or submit the dispute to the Securities Board for resolution. The phone number for FINE is +358 9 685 0120, and their website is www.fine.fi.

The Securities Board provides a free recommendation for resolving disputes between a non-professional client and an investment service provider. The dispute can involve the application of law, regulatory requirements, good securities market practices, or the terms of the agreement, as well as the service provider's conduct. The board does not handle requests for opinions from professional clients. Agreements between Sifter Capital and the client are governed by Finnish law. Disputes arising from the agreements are primarily resolved in the Helsinki District Court, unless a non-professional client classified as a consumer requests the case to be heard in the general district court of their residence.