

Foundation Statutes IST  
Foundation Regulations IST



## Contents

### FOUNDATION STATUTES

dated 4.12.1970, with amendments dated 2.3.1982, 2.6.1992, 26.1.2004, 11.1.2006, 18.7.2007, 22.11.2012, 22.11.2013, 24.11.2016, 30.11.2017, 24.1.2019 and 27.1.2021

### FOUNDATION REGULATIONS

Based on the statutes of the IST Investment Foundation (hereinafter referred to as the "Investment Foundation"), these Regulations were approved by the General Meeting of Investors on 27.1.2021. This version replaces the version dated 28.1.1971, with amendments dated 10.11.1977, 22.11.1989, 20.11.1991, 19.11.2003, 23.11.2005, 22.11.2006, 20.11.2008, 22.11.2012, 22.11.2013, 24.11.2016, 30.11.2017 and 24.1.2019.

## Foundation Statutes IST

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- Art. 1 Establishment and legal basis**
1. On 24 February 1967, the "Investment Fund for Employee Welfare" (Investmentkasse für Personalfürsorge) established as a pension fund as part of the "Intercantonal Investment Foundation for Employee Pension Funds" (Interkantonale Gemeinschaftsstiftung für Personalvorsorge) was converted by this Foundation, as founder, into a foundation within the meaning of Art. 80 ff. of the Swiss Civil Code in conjunction with Art. 53g ff. of the Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision (hereinafter referred to as the "BVG"). It is an occupational pension foundation.
  2. The Statutes are based on the relevant legal provisions for investment foundations, in particular Art. 53g ff. BVG and the Ordinance on Investment Foundations (hereinafter referred to as the "ASV").
  3. The Investment Guidelines form the binding framework for the investments of the investment groups.
  4. Special regulations (including the Investment Guidelines), directives and other decrees, if appropriate, serve to substantiate or supplement the provisions of the Foundation Statutes, the Foundation Regulations and the Investment Guidelines if appropriate.
- Art. 2 Name**
- The name of the investment foundation is:  
 IST Investmentstiftung  
 IST Fondation d'investissement  
 IST Fondazione d'investimento  
 IST Investment Foundation
- Art. 3 Registered office**
- The registered office of the Investment Foundation is located in Zurich. The Foundation Management is based in Switzerland.
- Art. 4 Supervision**
- The Investment Foundation is subject to the supervision of the Occupational Pension Supervisory Commission (OPSC) (hereinafter referred to as the "Supervisory Commission").
- Art. 5 Purpose**
- The purpose of the Foundation is the joint investment and management of the assets entrusted to it by its investors in accordance with Art. 6. It supports investors in the task of investing their assets optimally based on professional principles.

## Art. 6 Investors

1. The following types of investor are permissible:
  - a. All tax-exempt occupational pension schemes based in Switzerland that are exempt from withholding tax on dividends from the shares of US companies in accordance with the Competent Authority Agreement (hereinafter referred to as the "CAA") of 25 November/3 December 2004 between the tax authorities of the USA and Switzerland in connection with the Switzerland-USA tax treaty of 2 October 1996.
  - b. Persons who manage collective investments for schemes in accordance with a., are supervised by the Swiss Financial Market Supervisory Authority (FINMA) and exclusively invest assets for these schemes in the Investment Foundation.
2. The Foundation Management has the final say as to whether the requirements for admission to the Investment Foundation as an investor are met.
3. The Foundation Management reserves the right to refuse, without explanation, admission to the Investment Foundation or subscription to individual investment groups. Investors are not automatically entitled to invest in the Investment Foundation in general, or in individual investment groups.
4. The Investment Foundation adheres to the principle of equal treatment towards investors.

## Art. 7 Assets

1. The assets of the Investment Foundation
  - a. The assets of the Investment Foundation are to be used exclusively for the purposes of occupational pensions, and may not be appropriated for any other purpose. No use other than for the purpose of occupational pensions is permitted.
  - b. The assets of the Investment Foundation are made up of initial capital and investment assets.
2. Initial capital
  - a. The initial capital is made up of the dedication assets, any further contributions and the investment income earned. The initial capital should not exceed CHF 100'000 in principle.
  - b. The dedication assets amount to CHF 100'000.
3. Non-current assets
  - a. The non-current assets comprise the assets brought by investors for the purpose of joint investment, and the resulting cumulative net income. They form one single investment group or are divided into a number of investment groups.
  - b. The applicable details are governed by the Foundation Regulations, Investment Guidelines and any prospectuses issued.

## Art. 8 Investment groups

1. The investment groups are distinguished as follows according to the number of investors permitted on the basis of the applicable provisions:
  - a. Investment groups in which more than one investor is permitted (hereinafter referred to as "investment groups" or "multiple-investor investment groups").

b. Investment groups in which only one investor is permitted in principle (hereinafter referred to as “single-investor investment groups” or “single investors”).

2. Unless otherwise expressly stated, the term “investment group” as used below refers to both “multiple-investor investment groups” and “single-investor investment groups”, and the term “investors” refers to both investors in “multiple-investor investment group” and “single investors”.
3. The investment groups are calculated separately, and are economically independent of each other.
4. Each investment group is made up of the equal and no-par-value shares of the investors invested in it.

**Art. 9 Collateral, segregation and liability**

1. Collateral furnished for an investment group shall be of the type customary for the industry and may only be used to secure liabilities associated with that same investment group. The initial capital must not be used as collateral.
2. In the event of the Investment Foundation’s insolvency, assets and rights belonging to an investment group shall be segregated in favour of that group’s investors.
3. The Investment Foundation’s liability for an investment group is limited to that investment group’s assets.
4. In the event of liability claims against the Investment Foundation, only the initial capital shall be liable.
5. Each investment group is liable only for its own liabilities.
6. The investors cannot be held liable.

**Art. 10 Governing bodies**

The governing bodies of the Investment Foundation are:

1. the General Meeting of Investors
2. the Board of Trustees
3. the statutory auditors

**Art. 11 General Meeting of Investors**

1. The supreme body of the Investment Foundation is the General Meeting of Investors, which is made up of representatives of all investors.
2. The General Meeting of Investors sits once a year.
3. The General Meeting of Investors has the following non-transferable tasks and competencies, with resolutions being passed by the majority of votes validly cast. Abstentions and blank votes are not counted. This is subject to Art. 15 para. 1 on the merger or dissolution of the Investment Foundation:
  - a. Acknowledgement of the annual report and the auditor’s report;
  - b. Resolutions regarding submissions to the supervisory authority for the revision of the Foundation Statutes in accordance with Art. 14 of these Foundation Statutes;
  - c. Approval of the Foundation Regulations for the Investment Foundation and any amendments and additions;

- d. Election of the Chairman and the Members of the Board of Trustees; investors must constitute the majority of the Board of Trustees at all times;
  - e. Election of the statutory auditors;
  - f. Approval of the annual financial statements;
  - g. Granting of discharge to the Board of Trustees and the Foundation Management;
  - h. Approval of investments in unlisted Swiss joint-stock companies in the initial capital;
  - i. Approval of subsidiary companies in the initial capital;
  - j. Resolutions regarding submissions to the supervisory authority for the merger or dissolution of the Investment Foundation.
4. For votes on issues exclusively affecting one investment group, only those investors holding shares in that investment group are entitled to vote.
  5. The voting rights of investors are based on the respective number of shares they hold, multiplied by the net asset value of the respective shares.
  6. Extraordinary General Meetings of Shareholders may be held.

## **Art. 12 Board of Trustees**

1. The Investment Foundation's top-level management body is its Board of Trustees.
2. The Board of Trustees is made up of representatives of the investors and of external persons, and comprises at least five competent Members, all of whom must be of good repute.
3. The Board of Trustees is responsible for ensuring that the purpose of the Investment Foundation is met. It has all of the competencies necessary in order to do so, unless these are reserved to the General Meeting of Investors based on legal requirements or the Regulations of the Investment Foundation. It manages the Investment Foundation in accordance with the law, the Foundation Statutes and Regulations and the directives issued by the supervisory authority.
4. The Board of Trustees represents the Investment Foundation externally, issues regulations governing the conduct of business and the Investment Guidelines in particular, and designates authorized signatories as well as defining their signing authority.
5. The Board of Trustees issues regulations to avoid conflicts of interest.
6. The Board of Trustees designates the managing body (the Foundation Management) and the Managing Director.
7. The Board of Trustees appoints the committees of the Board of Trustees from its own ranks.
8. The Board of Trustees decides upon the formation of new investment groups and the modification, amalgamation and dissolution of existing ones.
9. The Board of Trustees is entitled, in justified cases, to postpone the redemption of shares in investment groups.

10. The Board of Trustees may, with the agreement of the supervisory authority, form investment groups without redemption rights during the start-up phase.
11. The Board of Trustees appoints the custodian bank.
12. The Board of Trustees selects the independent valuation experts, rating agencies and investment committees (ICs).
13. The Board of Trustees may transfer tasks and competencies to third parties provided they are not directly linked to the top-level management of the Investment Foundation, and they are not expressly qualified as non-transferable in accordance with the law, the Foundation Statutes and the Foundation Regulations.
14. The Board of Trustees may temporarily suspend the issue of shares in the interests of the investors invested in a given investment group. It may also delegate this right to third parties.
15. The Board of Trustees issues provisions concerning the organization of the Investment Foundation, valuation, fees and costs for the investment groups. The fees and costs for single-investor investment groups are defined in the schedule of fees.
16. The Board of Trustees is responsible for convening the General Meeting of Investors.
17. The Board of Trustees may, without the agreement of the General Meeting of Investors, issue further provisions provided they are not reserved by law and the foundation articles to the General Meeting of Investors.

### **Art. 13 Statutory auditors**

1. The role of statutory auditors may only be performed by companies authorized by the Federal Audit Oversight Authority as audit firms under federal supervision in accordance with the Audit Supervision Act (hereinafter referred to as the "RAG").
2. They must be independent of the founder, the Members of the Board of Trustees and the Foundation Management in terms of organization, personnel and economic aspects.
3. They examine whether the Board of Trustees, the Foundation Management and the elected representatives comply with the provisions of the Foundation Statutes, the Regulations, the Investment Guidelines and mandate agreements, and other decisions made by the General Meeting of Investors and the Board of Trustees.
4. They examine the annual financial statements (asset and income statements for the initial capital and the investment groups, including the associated notes) and the appropriation of net income in terms of legal and regulatory provisions.
5. They examine the precautions taken to ensure loyalty in asset management and monitor compliance by the Board of Trustees with requirements in terms of integrity and loyalty.
6. They examine compliance with the proper procedures for the amalgamation or dissolution of investment groups.

7. The tasks of the statutory auditors are laid down in the ASV.
8. The period of office of the statutory auditors is one year. They may be re-elected.
9. The statutory auditors report to the General Meeting of Investors regarding the audit process and its results.

**Art. 14 Revision of the  
Foundation Statutes**

1. The General Meeting of Investors may, subject to a majority of validly cast votes, submit a request to the supervisory authority concerning amendments to the Statutes. Abstentions and blank votes are not counted.
2. The revision shall not come into force until a decision is issued by the supervisory authority.

**Art. 15 Merger and dissolution**

1. The General Meeting of Investors may, subject to a two-thirds majority of validly cast votes, approve merger agreements with other investment foundations and requests to the supervisory authority for the approval of mergers. Abstentions and blank votes are not counted. Should the purpose of the Investment Foundation no longer apply, or no longer be achievable with reasonable effort, the General Meeting of Investors may determine this and request that the Board of Trustees submit an application for the dissolution of the Investment Foundation to the supervisory authority. This request to the Board of Trustees requires a majority of three-quarters of validly cast votes. Abstentions and blank votes are not counted.
2. The above is subject to approval by the authorities responsible.
3. In the event of its dissolution, the assets of the Investment Foundation must not be appropriated for any other purpose than that of the Investment Foundation.
4. Mergers may come into force retroactively, are decided upon by the supervisory authority and take legal effect once entered in the commercial register.

**Art. 16 Entry into force**

These Foundation Statutes were approved by the General Meeting of Investors on 27.1.2021. They entered into force following the decision by the supervisory authority, the OPSC (Occupational Pension Supervisory Commission), and replace the Foundation Statutes of 24.1.2019.

## Foundation Regulations IST

Based on the statutes of the IST Investment Foundation (hereinafter referred to as the "Investment Foundation"), these Foundation Regulations were approved by the General Meeting of Investors on 27.1.2021. This version replaces the version dated 28.1.1971, with amendments dated 10.11.1977, 22.11.1989, 20.11.1991, 19.11.2003, 23.11.2005, 22.11.2006, 20.11.2008, 22.11.2012, 22.11.2013, 24.11.2016, 30.11.2017 and 24.1.2019.

### Art. 1 Investors

#### 1. Investor declaration:

Each of the investors authorized in accordance with Art. 6 para. 1(a) of the Foundation Statutes must sign an investor declaration stating in particular that they

- a. pursue the sole purpose of occupational pension provision;
- b. are exempt from direct federal tax and, in their canton of domicile, meet the legal requirements for tax concessions for occupational pension schemes;
- c. are exempt from withholding tax on dividends from the shares of US companies in accordance with the Competent Authority Agreement (CAA) of 25 November / 3 December 2004 between the tax authorities of the USA and Switzerland in connection with the Switzerland-USA tax treaty of 2 October 1996;
- d. acknowledge and accept the Foundation Statutes, the Foundation Regulations, the Investment Guidelines and any prospectuses of the investment groups.

Investors authorized in accordance with Art. 6 para. 1(b) of the Foundation Statutes are required to confirm that a. to d. above are met for institutions whose assets they invest with the Investment Foundation.

#### 2. Investor status:

- a. Investor status is achieved following approval of admission by the Foundation Management and through acquisition of at least one share in an investment group, or the submission of a binding capital commitment or subscription to the Investment Foundation.
- b. Investor status shall lapse following the redemption of all shares and if no binding capital commitment exists.
- c. Should the requirements for participation in the Investment Foundation no longer be met, or if the requirements for holding shares are no longer met due to future changes in legislation or changes to the Foundation Statutes or Foundation Regulations, the investors concerned will be required to return their shares to the Investment Foundation for redemption. The Investment Foundation may, if necessary, carry out a compulsory redemption of shares.

**Art. 2 Investment assets**

1. Investment assets are invested in accordance with the Investment Guidelines. The Investment Guidelines are based on investment under consideration of the legal provisions applicable to occupational pension provision, the relevant ordinances and standard practice according to the supervisory authority.
2. The supervisory authority must be informed at the same time as the investors of the planned dissolution of an investment group.
3. The Board of Trustees has the option of defining a minimum subscription amount for each investment group. It may also divide an investment group into several tranches with different cost structures, provided it defines a minimum subscription amount for the lower-cost tranches.

**Art. 3 Content and valuation of a share**

1. Shares are always based on a specific investment group. They can be divided into fractions. The investment groups consist of equal, no-par-value shares that do not take the form of securities and are held by one or more investors (book claims).
2. The content of a share in an investment group comprises the investor's right to a corresponding proportion of the net assets and the net income of the investment group concerned.
3. The shares must not be pledged or assigned without the approval of the Foundation Management. In justified cases, investors have the possibility to assign shares among themselves. The corresponding assignment agreement must be submitted for approval, and must include the date of the assignment.
4. The Foundation Management determines the value of a share on the initial issue of shares within a given investment group. Subsequently, the net asset value of a share is calculated by dividing the net assets in the relevant investment group on the day of calculation by the number of existing shares. Depending on developments, the Investment Foundation may split or merge shares at a later date.
5. Investment groups are valued – and/or their net asset value calculated – on at least each issue and redemption date.
6. The net asset value of investment groups is based on the market or par value of the investments, plus other assets, including accrued interest, minus any liabilities and, in the case of real estate investments, minus the anticipated tax payable on the liquidation of properties. Assets and liabilities are valued in accordance with Accounting and Reporting Recommendations Swiss GAAP FER 26.
7. The following applies in the calculation of the market value of individual investments:
  - a. For investments in securities, the value is determined by the market value of the securities on the day of calculation, or the value most recently reported by the Investment Foundation.
  - b. For real estate investments: the estimated market value calculated at regular intervals, but at least once every financial year, by authorized

and independent valuation experts on the basis of a recognized valuation method, in accordance with the valuation regulations for real estate investment groups with direct investments. The Board of Trustees may, where necessary, request that interim real estate valuations be carried out.

- c. For investment in mortgages: the nominal value of the mortgages.
- d. For investments that cannot be priced via a public stock exchange, the price that would most likely be paid on immediate sale at the time of valuation under fair market conditions shall apply.
- 8. Calculation of net asset value is carried out on a regular basis, on each issue and redemption date, on the publication dates and on the balance sheet dates defined in the Statutes.
- 9. Investment groups may also be divided into tranches with different cost structures (Art. 2 para. 3). Structuring of fee rates and their implementation shall adhere to the principle of equal treatment.
- 10. The costs incurred by investors are to be taken into account appropriately when determining the fee rates. Cross-subsidization of investors in one tranche by a more expensive tranche is not permitted.

#### **Art. 4 Income distribution**

- 1. The net income of the individual investment groups is not as a rule distributed to investors but accrues to the capital and is continuously reinvested.
- 2. For individual investment groups, the Board of Trustees may decide to distribute net income and/or net price gains. In this event, it determines the principles concerning the frequency and level of the distribution.

#### **Art. 5 Issue and redemption of shares**

- 1. Subscription to shares is limited to investors authorized by the Foundation Management in accordance with Art. 6 of the Foundation Statutes.
- 2. The Foundation Management is responsible for defining the ordinary issue and redemption dates. It publishes details of the dates by which requests for the acquisition or redemption of shares may be issued ahead of an issue and redemption date.
- 3. Within the scope of their own statutory, legal and supervisory investment regulations, investors may acquire any number of shares in principle. The Board of Trustees reserves the right, however, to limit the acquisition of shares to one investment group per investor, or to temporarily suspend the issue of shares.
- 4. The equivalent of the issue price is payable in cash as a rule. With the agreement of the Foundation Management, it may also be paid as a contribution in kind if this contribution is compatible with the investment strategy and investment policy, and does not compromise the interests of other investors in any way.
- 5. Investors may, at any time and under consideration of the specifications of the Board of Trustees, demand the redemption of all or part of their shares on redemption dates.

6. The issue price of a share corresponds to the relevant net asset value per share, plus the average charges and levies arising from the purchase of investments on the subscription to shares.
7. The redemption price of a share corresponds to the relevant net asset value per share, minus the average charges and levies arising from the sale of investments on the redemption of shares.
8. The difference between the net asset value and the issue or redemption price shall always be in favour of the corresponding investment group.
9. The Board of Trustees may postpone the redemption of shares in extraordinary circumstances (e.g. insufficient market liquidity, prevention of liquidity bottlenecks), but for no longer than 24 months. The redemption price corresponds to the redemption price valid at the end of the period of postponement. All investor rights shall continue to apply throughout the postponement period.
10. The pricing procedure (forward or backward pricing) is defined by the Board of Trustees.
11. Investment groups with relatively illiquid investments may be limited in time on their formation, and closed for redemptions. The issue of shares once these investment groups have been formed is possible only if existing capital commitments are called.
12. In justified cases, a holding period of a maximum of five years may be stipulated on formation of an investment group.
13. The acquisition of shares shall in principle be effected by means of the issue of new shares by the Investment Foundation. Redemptions are likewise effected in principle via the return of shares to the Investment Foundation. Assignment among investors in accordance with Art. 3 para. 3 is reserved. Free trading of shares is not permitted.
14. In the case of investment groups with limited opportunities for redemption, the Foundation Management may offer the shares held by one investor to one or more other existing or potential investors. The transaction requires a written agreement between the parties concerned, and the approval of the Foundation Management. The acquisition price is also stipulated in the agreement.
15. At the written request of an investor, the Foundation Management may offer his or her binding capital commitments in favour of one investment group to one or more existing or potential investors for their acquisition.

## **Art. 6 Capital commitments**

1. In the case of real estate investment groups and investment groups in the area of alternative investments, the Investment Foundation may accept binding capital commitments or subscriptions for a fixed amount. The rights and obligations of the investor and the Investment Foundation associated with capital commitments do not apply until approval has been granted by the Foundation Management.
2. Decisions regarding calls on binding capital commitments or subscriptions are made by the Foundation Management.

3. Details of rights and obligations and payment terms are provided in the prospectus for the relevant investment group.

**Art. 7 General Meeting of Investors**

1. The ordinary General Meeting of Investors meets, at the invitation of the Board of Trustees, no later than six months following the end of the financial year. The invitation, the agenda and the motions submitted by the Board of Trustees must be sent to investors no later than 20 days before the date of the meeting.
2. The meeting of investors takes place as a face-to-face event at the location specified by the Board of Trustees. In exceptional circumstances, the investors' meeting can also be held in writing or in electronic form.
3. Resolutions cannot be passed on motions concerning agenda items that were not duly announced; this does not, however, apply to simple motions for amendment and rejection relating to agenda items indicated in the invitation or to motions regarding the convening of an extraordinary General Meeting of Investors or the performance of a special audit.
4. Investors are entitled to grant written power of attorney to the Investment Foundation, to another investor or to an independent proxy appointed by the Foundation Management.
5. A General Meeting of Investors that has been properly convened is quorate, irrespective of the number of votes represented.
6. The number of votes per investor corresponds to the number of its shares multiplied by the relevant net asset value per share. The number of votes per investor is determined by the Foundation Management as follows: in the case of the ordinary General Meeting of Investors, as of the end of the financial year; in the case of an extraordinary General Meeting of Shareholders, the cut-off date must not be more than 30 days before the date of the General Meeting of Investors. The value date shall be deemed to be cut-off date.
7. When resolutions are passed on matters affecting only individual investment groups, only the investors involved in the investment group concerned have a voting right.
8. Investors who do not (yet) hold any shares but have provided capital commitments (Art. 1 para. 2(a)) are entitled to attend the General Meeting of Investors, and shall receive an invitation together with the agenda. They are also entitled to request and receive information in accordance with Art. 12. Due to their insufficient participation (para. 6), however, these investors have no voting rights.
9. An extraordinary General Meeting of Investors may be requested in writing by investors who account collectively for at least 10 percent of all votes, by the Board of Trustees or by the statutory auditors, stating the reason concerned. Following receipt of the request, the Chairman of the Board of Trustees shall be required to convene an extraordinary General Meeting of Investors within 30 days, unless the requesting party is in agreement with a longer deadline.

10. The Chairman of the Board of Trustees is responsible for chairing the General Meeting of Investors, makes the necessary arrangements for determining voting rights and arranges for the minutes to be taken.

#### **Art. 8 Board of Trustees**

1. The Board of Trustees constitutes itself with the exception of the election of the Chairman, which is carried out by the General Meeting of Investors in accordance with Art. 11 of the Foundation Statutes.
2. The period of office of the Members elected by the General Meeting of Investors is two years. They may be re-elected, and they may step down at any time.
3. The Board of Trustees meets as necessary, but at least twice a year. All Members are invited to meetings. Any Member may request the convocation of a meeting.
4. The Board of Trustees is quorate when more than half of its Members are present. Its decisions are made by the simple majority of the votes present. In the event of a tie, the Chairman has the casting vote. The Members of the Board of Trustees are not entitled to vote on matters that affect them individually. Resolutions may also be passed by circular letter, unless one of the Members requests that the matter be discussed in a meeting. The same provisions shall apply to the passing of resolutions in this way as to a meeting of the Board of Trustees.
5. The Board of Trustees is responsible for any decisions regarding important agreements and amendments to these agreements. For single investors and single-investor investment groups, this is subject to the provisions of Art. 14.
6. For persons involved in the management and administration of the Investment Foundation, Art. 51b para. 1 BVG and Art. 48f to 48i of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans, hereinafter referred to as the "BVV 2", shall apply (regarding the integrity and loyalty of those responsible).
7. The Board of Trustees regulates the establishment, duties, competencies and responsibilities of the committees of the Board of Trustees in separate regulations.

#### **Art. 9 Foundation Management**

1. The Foundation Management manages the business of the foundation in the context of the relevant laws and regulations, the Foundation Statutes and Foundation Regulations of the Investment Foundation, the special regulations, directives and resolutions of the Board of Trustees and the directives issued by the supervisory authority.
2. The Foundation Management is accountable to the Board of Trustees.
3. The Foundation Management possesses all powers except where these are reserved to other function holders in accordance with the relevant laws and regulations, with the Foundation Statutes and Foundation Regulations of the Investment Foundation or with any special regulations, directives and resolutions of the Board of Trustees or agreements.

**Art. 10 Fees and other costs**

1. The fees and costs for the services provided by the Investment Foundation itself or by third parties, and any related fiscal charges, are in principle taken into account continuously for each investment group in the calculation of the value of the shares, and are charged to these investment groups.
2. Depending on the agreement with the relevant service providers, individual investment groups may be charged the fees and costs for the individual services concerned, or a flatrate charge may be applied.
3. Each investment group may consist of several tranches, each of which varies according to the rate of fees and costs applied. The determining factor for allocation to the various tranches is the level of the assets invested by the individual investor per investment group, or the total assets invested. The Board of Trustees is responsible for defining the concrete structure in the schedule of fees.
4. Reimbursements to investors can be made to the debit of the relevant investment group. The reimbursements made must not result in any double-charging of the investment groups. The scope of reimbursement is dependent on volume. The Board of Trustees is responsible for defining the concrete structure in the schedule of fees.
5. The principle of equal treatment must be taken into account. Cross-subsidization between investment groups is not permitted.
6. Costs incurred by a specific investor are charged to the investor concerned.

**Art. 11 Accounting and financial reporting**

1. The accounting year of the Investment Foundation closes on 30 September of each year.
2. Art. 38 ASV on the correctness of accounting and financial reporting applies in the context of the Investment Foundation.
3. Separate accounts are kept for the initial capital and for the individual investment groups.
4. The annual financial statements of the Investment Foundation, comprising the initial capital and investment assets and the associated notes, are published in the annual report.

**Art. 12 Information and disclosure rights**

1. On their admission to the Investment Foundation, each investor must be provided with the Foundation Statutes, the Foundation Regulations and the Investment Guidelines, as well as any prospectuses. Amendments to these documents must be communicated in an appropriate form.
2. The Investment Foundation publishes an annual report within four months of the end of the financial year.
3. As a rule, the Investment Foundation publishes key figures regarding fees, return on investment and investment risk for each multiple-investor investment group at least four times a year, except for real estate investment groups.
4. Investors may at any time request information about the management of the foundation from the Investment Foundation and ask to inspect the foundation's accounts; the right to information regarding individual invest-

ment groups is based on the ownership of shares in the relevant investment groups. Access to information or accounts may be refused with the approval of the Chairman of the Board of Trustees if it would endanger interests or business secrets requiring protection.

5. Information on the individual items included in collective investments can be issued on request, provided the Investment Foundation is itself in possession of the information and is authorized to disclose it.
6. Before setting up multiple-investor investment groups with real estate, alternative investments or high-yield bonds, the Investment Foundation publishes a prospectus at the beginning of the subscription period. Amendments to the prospectus are communicated to investors in an appropriate form.

**Art. 13 Exercise of voting rights**

1. With regard to the exercise of shareholder rights, the IST Investment Foundation acts exclusively in the interest of investors.
2. The individual details are defined by the Board of Trustees in the regulations regarding the exercise of voting rights.

**Art. 14 Single investors and single-investor investment groups**

1. An agreement between the single investor and the Investment Foundation forms the basis for the establishment and structuring of single-investor investment groups.
2. The relevant laws and ordinances, the Foundation Statutes and the Foundation Regulations, as well as any requirements stipulated by the supervisory authority, are to be taken into account on the establishment and structuring of single-investor investment groups. Amendments to the mandatory provisions of laws and ordinances, the Foundation Statutes and the Foundation Regulations, as well as any requirements stipulated by the supervisory authority, take precedence over para. 1 above and must be taken into account.
3. In the case of single-investor investment groups, the issue of shares is restricted to the corresponding single investor. The provisions of para. 6 remain reserved.
4. Under consideration of the provisions of paras. 1 & 2, the key areas are organized as follows:
  - a. The Board of Trustees is responsible for any decisions regarding the establishment of and the Investment Guidelines for single-investor investment groups;
  - b. The management of the Investment Foundation agrees a separate schedule of fees and costs with each single investor. It must be ensured that all fees and costs charged to the Investment Foundation are covered;
  - c. The Investment Foundation produces a separate set of annual financial statements for each single-investor investment group for the attention of the single investor concerned. It also submits consolidated annual financial statements covering all single-investor investment groups to the

Board of Trustees of the Investment Foundation for its approval. The consolidation may also take the form of several partial consolidations. The consolidated figures for the single-investor investment groups are included in the notes to the annual financial statements of the Investment Foundation;

d. The Foundation Management defines the valuation frequency, the distribution terms, the issue and redemption of shares (any arrangements made must not result in liquidity bottlenecks for the Investment Foundation), information and disclosure rights, exercise of shareholder rights and production of the annual financial statements for single-investor investment groups.

5. There is no obligation to produce a prospectus for single-investor investment groups.

6. At the request of single investors, the Board of Trustees may allow further investors to join single-investor investment groups. In this event, the provisions of Art. 14 shall continue to apply

**Art. 15 Risk management**

1. The Board of Trustees determines the principles of the risk policy and risk tolerance of the Investment Foundation, as well as its risk limits.

2. The Foundation Management ensures that all of the material risks associated with the Investment Foundation are systematically recorded, limited, monitored and controlled. This activity must be documented in writing.

**Art. 16 Internal control system**

1. The Board of Trustees implements an organizational structure in which responsibilities, competencies, accountabilities, authority to issue directives and decision-making authority are clearly defined and documented. The Board of Trustees shall issue regulations governing the organization and conduct of business for this purpose.

2. The Board of Trustees entrusts the Foundation Management with the task of defining suitable processes for identifying, measuring, evaluating, assessing and monitoring the risks entered into by the Investment Foundation. These processes are documented in writing.

**Art. 17 Amendments to the Regulations**

The General Meeting of Investors may amend the Foundation Regulations with the simple majority of the votes present.

**Art. 18 Entry into force**

The Foundation Regulations shall in principle enter into force immediately following the decision by the General Meeting of Investors on 27.1.2021, and replaces the version of 24.1.2019.

*The present Statutes and Regulations are an English translation of the original German version. In the event of any contradictions, the German version shall prevail*



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