

Structured products at a glance

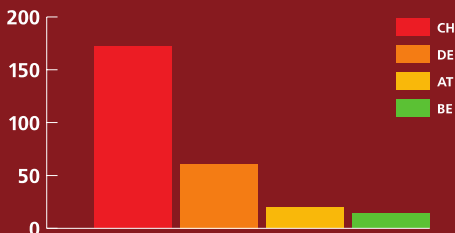
STRUCTURED PRODUCTS ARE INNOVATIVE INVESTMENT VEHICLES

Structured products are an innovative and flexible combination of a classic investment (ex. shares or bonds) with a derivative.

DIVERSITY OF ABOUT 32'000 PRODUCTS IN 5 MAJOR CATEGORIES

- Capital protection products
- Yield enhancement products
- Participation products
- Investment products with reference issuers
- Leverage products

SWITZERLAND: THE WORLD'S LARGEST MARKET FOR STRUCTURED PRODUCTS



Investment volume in bn. according to EUSIPA statistics

4 KEY ADVANTAGES



INNOVATION AND SIGNIFICANCE FOR THE SWISS FINANCIAL CENTER

- Value creation taking account of listed as well as unlisted products created in or for Switzerland amounted in 2016 more than CHF 226 billion.
- Protection of more than 3'000 highly qualified jobs in Switzerland.

COMMON UNDERLYING ASSET CLASSES OF STRUCTURED PRODUCTS

-  Shares
-  Interests
-  Currencies
-  Commodities




EFFICIENT ORGANIZATION FOR ACTIVE INDUSTRY REPRESENTATION

The Swiss Structured Products Association SSPA represents the entire value chain with 32 members – issuers, buy side, markets and partners – and maintains the shared interests of most important players in the industry, together accounting for 95% of Switzerland's structured products market.

INCREASED TRANSPARENCY

- Value creation report since 2016: covers listed as well as unlisted structured products created in or for Switzerland that are sold nationally as well as internationally. Annual turnover: more than CHF 226 bn.
- Since March 2015, all issuers have published distribution fees. They include all fees figuring in the subscription price, and payments for partners. They are indicated as a percentage of the nominal amount per year.
- A central trend of the industry is the development of Customized Product Tools. Meta-platforms of different issuers allow central definition of product categories and easy comparison of certificate offers.

SOLID PERFORMANCE AT LOW COSTS

-  **Performance** with positive returns of about 80% or more between 2012 - 2014
-  **Costs** of 0.3% to 1.7% p.a., depending on the product type (TER incl. netto margin and production and distribution fees)
-  **Returns** under normal market conditions 5% to 15% p.a.
- First comprehensive performance, costs and investments study for Swiss market reveals scientifically good performance and low costs of structured products as well as efficiency and broad investment possibilities.
- Conducted by the Swiss Finance Institute analyzing more than 20'000 products.

COMPREHENSIVE EDUCATION AND KNOWLEDGE TRANSFER

«SP Portfolio Optimizer»

Since February 2017, the tailor-made app shows investors and client advisors the added value of structured products in their portfolio. Possible simulation of different model portfolios and market scenarios.

Knowledge initiative

Information and education via publication of the book «The world of structured products», online knowledge tests, interactive info tools and educational films and «Invest-Talks», road shows for retail investors.

«Swiss Derivative Map»

Launched in 2006, the «Swiss Derivative Map» has become an industry standard due to its uniform classification of all structured products traded at SIX (in 4 main and 14 sub-categories).

