



Risk Principles RCM

I. Assessing Chances and Risks

Our business is inextricably linked with taking risks and weighing up chances and risks.

Knowing these risks and controlling their impact on our clients' wealth and on our company is the core of our business.

II. Objectives

A set of objectives that clearly states the goals pursued, operationalises aims, establishes a clear hierarchy of goals and is consistent with the company's overall strategic targets forms the basis for all risk management tasks.

III. Principle of Relevance

The relevance of potential events is assessed with respect to their probability and effect. Risk management activities are prioritized and conducted subject to this assessment.

IV. Principle of Subsidiarity

Identification and controlling of risks is in principle carried out by the operational units thus ensuring swift reaction and tapping into relevant expertise.

If a certain task is not covered by the defined system of objectives, competences and limits quick delegation to the function in charge of deciding on the relevant matter is effected.

V. Risk Awareness

Identification of risks ensures risks are taken deliberately. In any case this comprises an assessment of relevant risks with respect to the type of risk, the potential threat to our clients and our business as well as risk management strategies applicable.

This assessment is effected comprehensively, objectively and comprehensibly and is a prerequisite for taking risks.

VI. Objectivity

We pursue maximum objectivity, transparency and comprehensibility in measuring, controlling and limiting risks.

VII. Consistency

We ensure that objectives, measurement- and controlling-mechanisms and limits are consistent and coherent.

VIII. Principle of Prudence

When deciding between several equivalent alternatives the one with the lowest downside is to be chosen in doubt (i.e. lacking a clear order of preferences).

IX. Sanctions

Not the occurrence of a damage but violation of these principles does cause sanctions – irrespective of a damage occurring or not.

X. Clear Organisation

Our organisational procedures and structures prescribe in a clear and unambiguous way who has to do what, when and according to which principles

Specifically for the task related to defining risk objectives, defining risk limits, identifying risks, controlling risks, measuring risks and compliance with risk limits responsibilities and competences have to be assigned unambiguously.