Julius Bär

# Structured Products & Derivatives Selection Methodology

August 2026

## Contents


Introduction and general description ..... 1
General ..... 1
Methodology ..... 2
Client communication and channels ..... 3
Methodology review ..... 3
Disclaimer ..... 3


## Introduction and general description

This document has been produced by Bank Julius Baer & Co. Ltd., Zurich, which is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). The methodology applies to the Julius Baer Structured Products and Derivatives offering and defines the principles for the assessment, monitoring and classification within the Julius Baer structured products and derivatives universe.

## General

Julius Baer offers a broad range of structured products and derivatives across major asset classes, including equities, fixed income, foreign exchange and commodities. Products may provide capital protection, yield enhancement, participation or leverage features, depending on clients' risk profiles and market views.
The structured products offering comprises both Julius Baer-issued products and selected third-party products accessed via a managed open platform. Standardised products are available subject to applicable governance, approval and monitoring processes.

Julius Bär

## Methodology

The methodology assigns structured products and derivatives across three main outlook classifications: bullish, neutral and bearish - based on the directional view on the underlying asset(s) and the characteristics of the product structure.

| Classification | Description | Indicative product types |
|---|---|---|
| Bullish | Refers to a positive outlook on structured products and derivatives, based on an expectation of increasing prices and favourable market conditions for holding or gaining exposure to the underlying. | Capital Protection, Participation, Conservative Yield Enhancement |
| Neutral | Refers to a balanced outlook on structured products and derivatives, reflecting an expectation of limited or non-directional price movements and stable market conditions for maintaining exposure to the underlying. | Discount Certificates, Reverse Convertible, Barrier Reverse Convertible |
| Bearish | Refers to a negative outlook on structured products and derivatives, based on an expectation of decreasing prices and unfavourable market conditions for holding or maintaining exposure to the underlying. | Inverse Participation products, Short Leverage Products |

**Note:** The product types listed above are provided for illustrative purposes only and do not represent an exhaustive list of products. The same directional classification principles (bullish, neutral and bearish) may also be applied in publications covering other investment products, including FX, OTC derivatives and cash products.

These classifications represent a high-level investment view and do not constitute a forecast or guarantee of future performance. The classifications refer to the underlying asset(s) not to the product itself. The underlying asset primarily drives the investment outlook, while the product structure shapes the payoff profile, risk characteristics and degree of capital protection.

For products with multiple underlyings, the weakest underlying assessment drives the overall classification. For underlyings not covered by standard market views such as certain indices, foreign exchange rates, precious metals or commodities - dedicated assessment approaches based on available market data or third-party sources are applied. ESG factors are incorporated into these assessments where applicable and feasible. Actively Managed Certificates (AMCs) and Credit-Linked Notes follow specific assessment principles reflecting their distinct structural characteristics, which are disclosed in the relevant product documentation.

The application of this methodology is based on available market data, underlying classifications and product characteristics at the time of assessment and is subject to inherent assumptions and limitations. Structured products are subject to market, credit, liquidity and product-specific risks, which may affect their value and performance. The use of this methodology does not constitute a guarantee of future performance.

Further detailed information on the application of this methodology, including recommendation history and rating allocation, is available upon request.

## Client communication and channels

Information on structured products and derivatives is communicated to clients through dedicated Julius Baer client channels, including product documentation and relevant marketing and communication materials. Product-specific terms, risks and features are disclosed in the relevant product documentation.

## Methodology review

This methodology is reviewed on a regular basis and may be updated as necessary, in the event of material changes to the methodology, market practices or regulatory requirements.

## Disclaimer

This document is provided for information purposes only and does not constitute investment advice, a recommendation, an offer or a solicitation. It does not take into account the specific objectives, financial situation or needs of any recipient. Any investment decision should be based on an independent assessment of the relevant risks and opportunities. The information contained herein is based on sources believed to be reliable; however, no representation or warranty is made as to its accuracy or completeness. The application of the methodology described herein does not constitute a guarantee of future performance. This document may not be reproduced, distributed or otherwise communicated, in whole or in part, without the prior written consent of Julius Baer.

© Julius Baer Group, 2026