

# Julius Bär

20 January 2026

Dear Client,

**Notice to Investors in the Actively Managed Certificate on Nectar Smart Alternatives Strategy**  
**Swiss Security Number / ISIN: 39403804 / CH0394038043**

New disclaimers have been added to the Termsheet to reflect risks of products referencing non-tradable underlying component(s). The updates include:

- Addition of a specific disclaimer on the first page of the Termsheet, highlighting the implications of non-tradable underlyings.

The exact wording of the disclaimer is inserted in this section:

**This Product is linked to the performance of a dynamic, discretionary managed basket. Certain underlying components of this basket are non-tradable instruments, as defined by the Guidelines of the Swiss Structured Products Association (SSPA) on Tracker Certificates linked to non-tradable underlyings. For a detailed description of the risks associated with non-tradable underlying components, investors should refer to the Product Risk section.**

- Update to Section III – Significant Risks for Investors, specifically in Subsection 2: Product Risks, where we have introduced a new paragraph titled: “Risks in connection with Products linked to non-tradable Underlying Component(s)”.

The exact wording of the disclaimer is inserted in this section:

**Risks in connection with Products linked to non-tradable Underlying Component(s)**

An investment in Products linked to non-tradable Underlying Component(s) involves several particular risks, such as:

- Lack of liquidity

It may be difficult to sell non-tradable Underlying Component(s) quickly without a significant price reduction.

- Absence of a market

There may not be an established market or secondary trading platform for non-tradable Underlying Component(s).

- Valuation challenges

It may be difficult to accurately determining the value of non-tradable Underlying Component(s).

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- Regulatory or legal transfer restrictions

There may be legal or regulatory barriers that may prevent or complicate the sale or transfer of non-tradable Underlying Component(s).

- Limited information

There may be insufficient data or transparency regarding non-tradable Underlying Component(s).

- Higher transaction costs

There may be increased costs associated with buying, selling or managing non-tradable Underlying Component(s).

The consequence of such risks may be (i) a larger bid/offer spread for a Product linked to non-tradable Underlying Component(s), (ii) a longer time period and higher respectively lower prices for buying respectively selling the non-tradable Underlying Component(s), (iii) a longer time period and higher respectively lower prices for acquiring, unwinding or disposing of the hedging transaction(s) or asset(s) relating to Products linked to non-tradable Underlying Component(s), (iv) higher costs for realizing, recovering or remitting the proceeds of such hedging transaction(s) or asset(s) relating to Products linked to non-tradable Underlying Component(s), (v) a postponement of the redemption and/or a modification of the redemption amount of Products linked to non-tradable Underlying(s). All of these consequences may have an adverse effect on the market value and the redemption amount of Products linked to non-tradable Underlying Component(s) and may result in the investor not making a profit and incurring a loss with an investment in such Products.

Information regarding the basis for the assessment of the tradability or non-tradability of the respective Underlying Component(s) may be obtained from the Issuer upon request.

For further information on the Julius Baer Certificate, please contact Bank Julius Baer & Co. Ltd., Zurich, Switzerland.

Yours faithfully,  
Bank Julius Baer & Co. Ltd.