

According to the Executive Order on Risk Categorisation of Investment Products, financial undertakings in Denmark are required to categorise investment products offered to retail clients in green, yellow or red category. The categorisation is made according to a graduation made by the Danish Financial Supervisory Authority which reflects the risk of losing the deposit. At Pillious we will do our very best to lower the risk on our investments, every decision is calculated, we assess the risk and the reward.

Category	Risk	Product	Specification and underlying asset		
Green	Investment products, where the risk of losing the deposit is considered very small. The product is not difficult to understand .	Bonds	Danish government bonds issued in DKK and EUR		
			Government bonds issued by an EU country in EUR or DKK*		
			Ship mortgage bonds and cash bonds issued by ship financing institutes		
			Government guaranteed corporate bondsguaranteed by a European Union member with a gross debt of less than 110 percent of the country's GDP		
			Government bonds issued in EUR and DKK by EU countries with a gross debt of less than 110 percent of the country's GDP		
			Bonds issued by the Danish Credit Institution for Local Authorities (KommuneKredit)		
			Mortgage bonds issued by Danish mortgage credit institutions		
			Bonds issued by multilateral development banks in other currencies than DKK and EUR with zero weighting at the assessment of the risk exposure done according to the standard method		
			Covered bonds (SDO) issued by Danish financial- or mortgage credit institutions		
			Mortgage covered bonds (SDRO) issued by Danish mortgage credit institutions		
			Junior covered bonds and senior debt issued by Danish financial- or mortgage credit institutions for financing of Tier 2 capital (supplementary capital) for coverage of SDOs and SDROs		
			*Note: there is currently an increased risk on trading in certain European government bonds		
Yellow	Investment products, where there is a risk of losing the deposit partially or entirely. The product is not difficult to understand .	Bonds	Government guaranteed corporate bondsguaranteed by a European Union member with a gross debt of 110 percent and above of the country's GDP		
			Government bonds issued in EUR and DKK by EU countries with a gross debt of 110 percent and above of the country's GDP		
			Government bonds issued in other currencies than DKK and EUR		
			Bonds issued by multilateral development banks in other currencies than DKK and EUR with zero weighting at the assessment of the risk exposure done according to the standard method.		
			Non-Danish mortgage bonds		
					Structured deposits not having a complex yield structure or non-transparent costs associated with early termination
		Stocks	Stocks traded in a regulated market or an alternative market place		
		Certificates	Certificates in which you cannot lose more than you invest		
		Mutual funds	Products diverging from the UCITS directive		
		Mutual funds certificates	Products diverging from the UCITS directive		
			Products in capital associations or foreign investment institutes which are invested in accordance with the investment limitations pursuant to Sections 157a and 157b of the Danish Financial Business Act		
ETF	Bonds Stocks Forex Interest Index – products structured in accordance with UCITS directive				
Red	Investment products, where there is a risk of losing more than the deposit, or the product is difficult to understand .	Bonds	Bonds not traded on a regulated market (including a multilateral trading facility (MHF) or an alternative market) place		
		Stocks	Stocks not traded on a regulated market (including a multilateral trading facility (MHF) or an alternative market) place		
			Structured Bonds		
			Structured deposits having either a complex yield structure and/or non-transparent costs associated with early termination		
			Structured UCITS		
			Contingent convertibles (CoCos)		
		Certificates	Certificates in which you can lose more than you invest		
		Options, Futures and Forwards	Forex Stocks Bonds Interest Index Commodities		
		Investment funds or investment arrangements	Shares in capital associations or foreign investment institutes which are not invested in accordance with the investment limitations pursuant to Sections 157a and 157b of the Danish Financial Business Act		
		Spot FX	Currency cross		
		Swaps	Interest Stocks Stock Index Commodities swaptions		
		CFD	Commodities Stocks Stock Index		
		ETC	Commodities		
		ETF	Bonds Stocks Forex Interest Index – products diverging from UCITS directive		