

Ex Ante Cost and Revenue Disclosure

Securities Lending Service

★ 1) Purpose of This Document

This document provides ex ante information on costs, charges, and potential revenues related to participation in a securities lending service, in accordance with Directive 2014/65/EU (MiFID II) and the applicable Belgian implementing regulations.

Its purpose is to enable clients to understand the nature, calculation, and impact of expected costs and revenues prior to using the service.

All figures presented are illustrative, based on hypothetical assumptions, and do not constitute a commitment or guarantee.

★ 2) No Guarantee of Revenue

Participation in the securities lending service does not guarantee any revenue.

Revenue generation depends on market conditions, including but not limited to:

- Demand for the securities made available for lending
- Prevailing market lending rates
- Duration of lending transactions
- Counterparty availability

It is possible that no securities are lent during a given period. In such cases, no revenue will be generated.

Past or hypothetical performance is not indicative of future results.

★ 3) Répartition des revenus et coûts

When a securities lending transaction generates revenue:

- 30% of the gross lending revenue is paid to the client
- 30% of the gross lending revenue is paid to Keytrade Bank
- 40% of the gross lending revenue is retained to cover operational costs, including:
 - Securities lending agent
 - Custodian bank
 - Counterparties
 - Operational and service partners

The client and Keytrade Bank each receive 30% of the gross lending revenue, representing an equal share of the distributable portion excluding third-party costs.

The client does not pay any direct out-of-pocket fees. However, costs are deducted from the gross lending revenue, which reduces the amount ultimately received by the client.

Costs and revenues are illustrated below both in percentage and monetary terms.

★ 4) Definitions

Term	Description
Security Price	Market price of the financial instrument
Quantity	Number of securities lent
Market Value (€)	Security Price converted in EUR when applicable × Quantity
Lending Rate (%)	Annualized fee paid by the borrower (based on a 360-day convention)
Loan Duration (days)	Number of calendar days the securities are on loan
Gross Lending Revenue (€)	Market Value (€) × Lending Rate × (Duration / 360)
Client Share (€)	30% of the gross lending revenue

Operational costs (€):	70% of the gross lending revenue (including Keytrade Bank share and third-party costs)
Withholding tax (€)	30% of the client share
Client Net Revenue (€)	Amount paid to the client

★ 5) Illustrative Examples

The following examples are provided for illustrative purposes only and are based on simplified assumptions.

For the ease of illustration, the security price, quantity, and lending rate are assumed to remain constant over the duration of each transaction. In practice, these variables may fluctuate over time depending on market conditions, which may impact the actual revenue generated.

EXAMPLE 1 – EQUITY LENDING (SHORT DURATION)

This scenario illustrates a liquid equity with moderate lending demand over a short period, where borrowing interest exists but remains limited in duration.

Item	Value
Market Value	50.000 €
Lending Rate	2.00% p.a.
Duration	30 days
Gross Lending Revenue	83,33 €
Client Share (30%)	25,00 €
Operational Costs (70%)	58,33 €
Withholding tax (30%)	7,50 €
Client Net Revenue	17,50 €

EXAMPLE 2 – EQUITY LENDING (LONGER DURATION)

This scenario reflects a widely available equity with lower borrowing demand, resulting in a lower lending rate over a longer lending period.

Item	Value
Market Value	50.000 €
Lending Rate	0.40% p.a.
Duration	90 days
Gross Lending Revenue	50,00 €
Client Share (30%)	15,00 €
Operational Costs (70%)	35,00 €
Withholding tax (30%)	4,50 €
Client Net Revenue	10,50 €

EXAMPLE 3 – HARD-TO-BORROW EQUITY

This scenario represents a hard-to-borrow security with sustained market demand, typically driven by short-selling activity or limited availability. Such conditions may persist over several weeks or months, resulting in elevated lending rates over a longer period.

Item	Value
Market Value	50.000 €
Lending Rate	6.00% p.a.
Duration	60 days
Gross Lending Revenue	500,00 €

Client Share (30%)	150,00 €
Operational Costs (70%)	350,00 €
Withholding tax (30%)	45,00 €
Client Net Revenue	105,00 €

*** 6) Regulatory Information**

- This document is provided ex ante, prior to the provision of the securities lending service.
- Clients may request ex post cost and charges disclosures in accordance with applicable regulation.