

# Swisscanto BVG 3 Responsible Portfolio 25 RT CHF

Mixed | reinvesting | November 2024 - Marketing Material

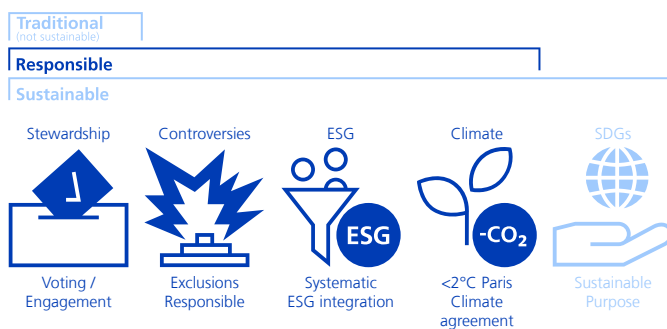
## Investment Group Description

Actively managed fund of funds (umbrella fund) consisting of equity, bond and real estate funds from Swisscanto.

The investment group pursues a balanced investment strategy with which, apart from regular income, the income of capital gains on equity investments is aimed for. The equity share lies at 26% on average, the bond share at some 59% and the real estate share at 15%. The BVV2 investment guidelines apply.

## Product line and sustainability approaches in use

When selecting investments, the product lines and sustainability approaches illustrated below and described in the "Explanations regarding product lines and sustainability approaches" are used.



Note:  
- Light-coloured product lines and approaches are not applicable to the assets in question.  
- Exclusions based on SVVK-ASIR are applied in all three product lines (Traditional (non-sustainable), Responsible and Sustainable).

## Swisscanto Sustainability Rating

high **A** B C D E F G low

## Profile/Suitability

This product is suitable for investors who – have at least a medium-term investment horizon.

Only assets from tax-exempt institutions for occupational pension provision and restricted private pension plans in Switzerland (Pillars 2 and 3a) is permitted.

## Risk Indicator

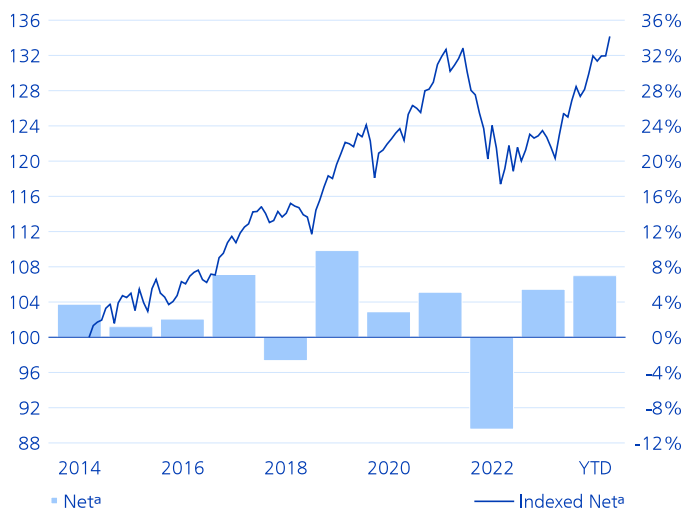
low 1 2 3 4 5 6 7 high

## Investment Group Facts

|                                   |   |
|-----------------------------------|---|
| NAV per Share (29.11.2024)        | CHF 228.02                                |
| 52-Week High (29.11.2024)         | CHF 228.02                                |
| 52-Week Low (01.12.2023)          | CHF 210.38                                |
| Investment Group Domicile         | Switzerland                               |
| Share Class Currency              | CHF                                       |
| Investment Group Currency         | CHF                                       |
| Accounting Year End               | 30.06.                                    |
| Security Number                   | 23805270                                  |
| ISIN-Number                       | CH0238052705                              |
| Bloomberg                         | PBVG25Q SW                                |
| Share Class Launch Date           | 01.07.2014                                |
| Inception Date Investment Group   | 03.11.1997                                |
| Start Performance Calculation     | 01.08.2014                                |
| Share Class Volume (million)      | CHF 415.84                                |
| Investment Group Size (million)   | CHF 532.23                                |
| Shares Outstanding                | 1'823'661.433                             |
| Flat Fee p.a.                     | 0.57%                                     |
| Total Expense Ratio p.a.          | 0.61%                                     |
| Issue Fees in Favour of the Fund  | 0.00%                                     |
| Redempt. Fees in Fav. of the Fund | 0.00%                                     |
| Investment Foundation             | Swisscanto Investment Foundations, Zurich |
| Portfolio Management              | Zürcher Kantonalbank                      |
| Custodian Bank                    | Zürcher Kantonalbank                      |

# Performance

## Indexed Performance and Performance in %<sup>1</sup>



Indexed performance (left scale). Performance in percent (right scale).

## Performance in %<sup>2</sup>

| Since         | Net <sup>a</sup> | Gross <sup>b</sup> |
|---------------|------------------|--------------------|
| 1 month       | 1.68             | 1.72               |
| 3 months      | 2.13             | 2.28               |
| 1 year        | 9.12             | 9.74               |
| 3 years p.a.  | 0.63             | 1.21               |
| 5 years p.a.  | 1.73             | 2.31               |
| 10 years p.a. | 2.65             | 3.24               |

## Annual Performance in %<sup>1,2</sup>

| Year | Net <sup>a</sup> | Gross <sup>b</sup> |
|------|------------------|--------------------|
| YTD  | 7.00             | 7.56               |
| 2023 | 5.44             | 6.05               |
| 2022 | -10.44           | -9.92              |
| 2021 | 5.11             | 5.71               |
| 2020 | 2.89             | 3.48               |
| 2019 | 9.84             | 10.47              |
| 2018 | -2.65            | -2.09              |
| 2017 | 7.13             | 7.74               |
| 2016 | 2.07             | 2.65               |
| 2015 | 1.20             | 1.78               |
| 2014 | 3.75             | 4.00               |

## Risk Figures

| annualised/realised         | 1yr   | 3yrs  | 5yrs  |
|-----------------------------|-------|-------|-------|
| Volatility Investment Group | 3.29% | 5.61% | 5.18% |
| Sharpe Ratio                | 2.20  | -0.02 | 0.31  |

## Portfolio Data

|                                  | Investment Group |
|----------------------------------|------------------|
| Number of Positions              | 2'720            |
| Modified Duration                | 7.82             |
| Yield (without currency hedging) | 1.67%            |
| Time to Maturity in Years        | 8.98             |
| Average Coupon                   | 1.59%            |

<sup>1</sup> Year/period: Since start performance calculation or at the longest for the last 5 or 10 years/periods.

<sup>2</sup> Minor deviations can be caused by rounding errors.

<sup>a</sup> The represented net value development less all regular fund fees due. Any further costs due, which can be charged directly to the fund assets, are disclosed in the fund prospectus.

<sup>b</sup> The gross performance indicated before deduction of any regular fund fees incurred.

# Breakdowns

## Largest Positions in %

|                             | Investment Group |
|-----------------------------|------------------|
| Roche Holding AG            | 1.32             |
| Nestlé SA                   | 1.32             |
| Novartis AG                 | 1.17             |
| Zurich Insurance Group AG   | 0.66             |
| UBS Group AG                | 0.59             |
| ABB Ltd                     | 0.50             |
| Cie Financiere Richemont SA | 0.41             |
| TSMC Ltd                    | 0.35             |
| Alcon AG                    | 0.33             |
| Lonza Group AG              | 0.33             |

## Breakdown by Asset Category in %

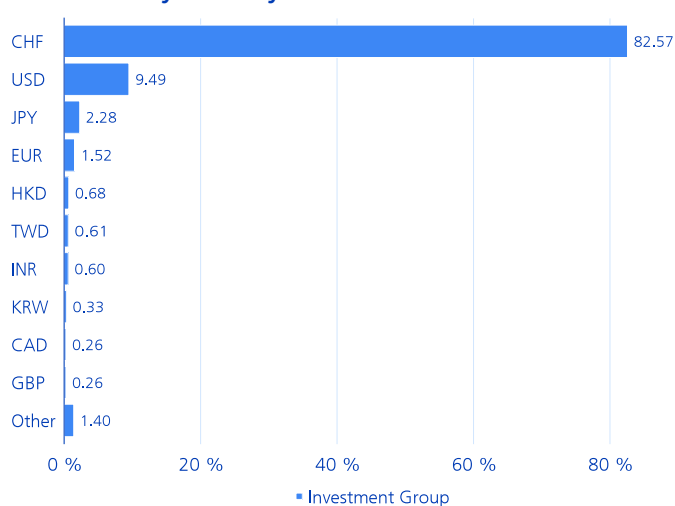
|                         | Investment Group |
|-------------------------|------------------|
| Money Market            | 4.86             |
| Bonds CHF               | 33.47            |
| Bonds Foreign Currency  | 18.64            |
| Swiss Equities          | 9.99             |
| Foreign Equities        | 16.44            |
| Real Estate Switzerland | 16.61            |

Minor deviations can be caused by rounding errors.

## Largest Issuers in %

|  | Investment Group |
|--|------------------|
| Pfandbriefbank schweizerischer Hypothekarinstitute AG    | 8.41             |
| Pfandbriefzentrale der schweizerischen Kantonalbanken AG | 6.55             |
| Swiss Confederation                                      | 3.12             |
| United States of America                                 | 2.00             |
| UBS Group AG   | 1.52             |
| Zürcher Kantonalbank                                     | 1.40             |
| Basellandschaftliche Kantonalbank                        | 1.05             |
| Federal Republic of Germany                              | 0.77             |
| Japan  | 0.74             |
| Luzerner Kantonalbank AG                                 | 0.72             |

## Breakdown by Currency in %



# Explanations regarding product lines and sustainability approaches

## Product lines

The sustainability product range comprises two product lines in which different sustainability approaches are applied. The «Responsible» product line includes as standard the application of further exclusions, systematic ESG analysis as an integral part of the investment process and a reduction in the CO<sub>2</sub>e intensity of the investments. In addition to the aforementioned approaches, the «Sustainable» product line includes the application of even more extensive exclusions and also invests in SDG leader or ESG leader (Sustainable Purpose). The exclusions based on SVVK-ASIR are applied in all product lines (including for assets that are not sustainably managed). These mainly include manufacturers of banned weapons and may also include states in addition to companies.

## Stewardship - Voting / Engagement



As a shareholder, we actively engage in continuous dialogue with the companies management. This takes place in accordance with the engagement guidelines of Zürcher Kantonalbank's asset management. Among other things, companies are required to formulate ambitious greenhouse gas reduction targets, implement them consistently and report on them transparently. Our engagement activities and guidelines are published on <https://www.zkb.ch/en/home/asset-management/sustainability/investment-stewardship.html>. Our voting guidelines are based on Swiss and international corporate governance principles and on the United Nations Principles for Responsible Investment (UN PRI). The threshold for exercising voting rights in our foreign voting markets is CHF 5 million for Swiss domiciled funds and CHF 2 million for Luxemburg domiciled funds per share position. More information on our voting behaviour can be viewed at: <https://www.swisscanto.com/voting>

## Controversies - Exclusions Responsible



Application of further exclusion criteria - in addition to the exclusions based on SVVK-ASIR - in order to reduce sustainability risks and with the aim of not investing in securities with business models that are critical from a sustainability perspective. The exclusion criteria apply to companies associated with the extraction of coal (excluding metal production); >5% revenue)\*, coal reserves (excluding metal production)\*, production of weapons and ammunition, manufacture of military hardware (>5% revenue), production of pornography, exploitative child labour and/or UN Global Compact violations (excluding green and sustainability bonds, if applicable). Violations of the UN Global Compact principles revealed by our screening are examined in closer detail by our analysts. As part of the engagement, we seek dialogue and encourage companies to change their behaviour. If no change occurs within a reasonable period of time, existing systems must be sold. \*Excluding green and sustainability bonds

## ESG - Systematic ESG integration



The systematic analysis of ESG criteria forms an integral component of the active investment process, with the aim of identifying risks and opportunities based on ESG trends at an early stage. ESG criteria supplement the pure financial analysis and lead to more informed investment decisions.

## Climate - <2°C Paris Climate agreement



In accordance with the Paris Climate Agreement, the investment activity of the portfolio is aimed at reducing the CO<sub>2</sub>e intensity of the investments by at least 4% per year. The investment strategy target is based on the CO<sub>2</sub>e intensity of the investment universe at the end of 2019.

## SDGs - Sustainable Purpose



The "Sustainable Purpose" approach focuses on returns through investments in companies and countries with social benefits (SDG leaders). SDG leaders use their investment power to create environmentally and socially responsible products and services. In doing so, they contribute to the fulfillment of one or more of the UN's Sustainable Development Goals (UN SDGs). For diversification purposes, a best-in-class approach can also be used to invest in securities that are considered to have above-average positive ESG criteria (ESG leaders).

Note:

- Light-coloured product lines and approaches are not applicable to the assets in question.
- Exclusions based on SVVK-ASIR are applied in all three product lines (Traditional (non-sustainable), Responsible and Sustainable).

## Further information

Further, supplementary product-specific explanations regarding the sustainability approaches applied can be found in the relevant legal documents at [products.swisscanto.com](https://products.swisscanto.com).

## Sustainability approaches

The sustainability approaches apply to all assets or to a substantial part of the assets. Detailed information on this can be found in the prospectus, fund agreement or investment guidelines.

## CO<sub>2</sub>e

CO<sub>2</sub>e equivalents (CO<sub>2</sub>e) are a measure to standardise the climate impact of the greenhouse gases carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and fluorinated greenhouse gases (CFCs). All of these gases remain in the atmosphere for different lengths of time and do not contribute equally to the greenhouse effect.

## ESG

ESG stands for the aspects of environment (E), social (S) and governance (G).

## SVVK-ASIR

The Swiss Association for Responsible Investments (SVVK) is an association of institutional investors and was founded in 2015. The association provides services to its members so that they can focus their investment decisions on the environment, society and the economy.

### Swisscanto Sustainability Rating

The proprietary Swisscanto Sustainability Rating provides information on the current sustainability level of the portfolio. It is calculated from the values of the collective assets and individual securities contained in the portfolio and is divided into seven sustainability classes from A (highest level) to G (lowest level). To calculate the rating, companies and countries are assessed on the 4 pillars of our sustainability research: controversial areas of business (controversy), sustainable corporate governance (ESG), greenhouse gas emissions (climate) and impact of products on the environment and society (Sustainable Purpose). The Swisscanto Sustainability Rating is recalculated once per quarter end.

## Comments to the Investment Group

### Target Investor Group - Term

Vested benefits foundations and retirement benefit plans and forms of benefit schemes under pillar 3a

### Target Investor Group - Description

Units of share class R are reserved for participation in the following institutions for occupational pensions (pillar 2) and tied personal pension provision 3a: Vested benefits foundations in accordance with the Swiss federal law on Vested Benefits in Occupational Old Age, Survivors' and Disability Benefit Plans (FZG) and retirement benefit plans and forms of benefit schemes under pillar 3a in accordance with the ordinance on the tax deductibility of contributions to recognised forms of benefit schemes (BVV 3). The second letter «T» indicates that the class reinvests profits (accumulating).

### Flat Fee (FF)

The Alf is used to compensate the fund management company and fund administration, asset management and - if compensated - the distribution of the fund as well as the custodian bank for the services it provides.

### Total Expense Ratio (TER)

The TER refers to the commissions regularly charged to the fund assets (operating expenses) and is expressed as a percentage of the fund's assets. The figure quoted relates to the level of the TER in the past financial year and does not guarantee that the level will be similar in the future.

### Fees

In order to protect existing Investors, Subscription and Redemption Fees are credited to the respective Subfund by the Fund Management.

### Swinging single pricing (SSP) indirectly

According to fund master data, this fund does not exhibit any swinging single pricing (SSP). However, it cannot be ruled out that an investment is made in a target fund with SSP indirectly.

### Explanation of general risks

Investment involves risks, especially with regard to fluctuations in value and return. Investments in foreign currencies are subject to exchange rate fluctuations. Custody and counterparty risks represent further significant risks. We hereby refer to the detailed description of various risks which are included in the prospectus.

### Risk Indicator

The historical data used to calculate the risk and return category cannot be used as a reliable indication of the future risk profile. The reported risk and return category may well be subject to change. The lowest risk category cannot be compared with a risk-free investment. There is no capital guarantee or capital protection. The risk of capital loss is borne by the investor.

### Breakdown Allocations

Allocation refers to invested fund capital adjusted to 100%. Minor deviations can be caused by rounding errors. The weighting of the money market may include the synthetic exposure from the equity hedging strategy.

### Volatility

Volatility is a statistical measure of risk which indicates the extent to which the absolute return on an investment or a portfolio fluctuates on average around its mean value in the course of a year.

### Sharpe Ratio

The Sharpe ratio is a performance measure which indicates the risk-adjusted excess return (difference between the portfolio return and the risk-free return) compared to the investment risk incurred (volatility).

### Modified Duration

The modified duration indicates by how many percent the price of a bond changes if the market interest rate changes by one percentage point.

### Time to Maturity in Years

The maturity of a money market instrument or bond is determined based on the earliest possible redemption date. The average maturity of an investment fund is determined by the weighted mean of the maturities of the individual securities from the time of valuation to redemption.

### Yield (without currency hedging)

The yield refers to the duration-weighted yield on the portfolio in local currency. No currency hedging is taken into account.

### **Average Coupon**

To calculate the average coupon, the coupons are weighted according to the current outstanding volume of invested bonds.

### **ISO Certification**

Asset Management at Zürcher Kantonalbank is ISO 9001 certified. The ISO 9001 certification guarantees that the authorised user has a management system that meets the requirements of a suitable and recognised standard and has been successfully certified/assessed by the Swiss Association for Quality and Management Systems (SQS).

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