

Swisscanto (CH) Bond Fund Responsible Corporate CHF BA CHF

Bonds | distributing | February 2025 - Marketing Material

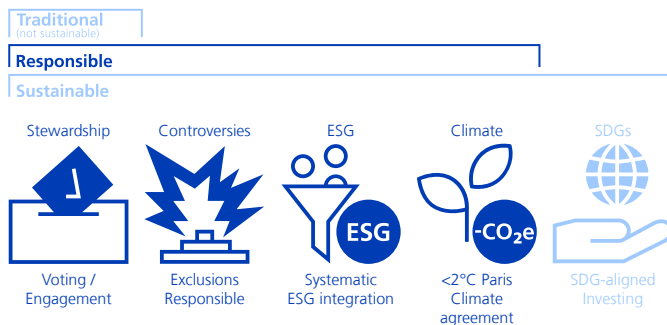
Fund Description

The fund invests in bonds from domestic and foreign issuers denominated in CHF. Investments are mainly made in the investment grade segment (i.e. credit rating of BBB- or higher). The Portfolio Manager carefully selects securities and actively adapts the maturities scale to the current market environment.

The investment policy and benchmark were amended on 1 December 2017 (historical benchmark: Swiss Bond Index Foreign AAA - BBB).

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 short-term investment horizon.
- wish to profit from the relative safety of the bond market in CHF for a part of their assets.
- are looking for additional returns by means of longer maturities and by accepting credit risks.
- have the necessary risk tolerance towards the interest rate and credit risks of the asset class.

Risk Indicator

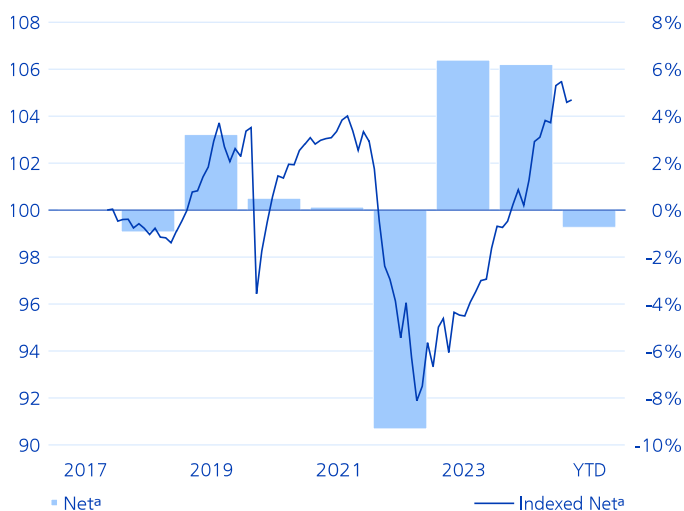
low 1 2 3 4 5 6 7 high

Fund Facts

NAV per Share (28.02.2025)	CHF 101.31
52-Week High (02.12.2024)	CHF 102.10
52-Week Low (30.05.2024)	CHF 96.44
Fund Domicile	Switzerland
Share Class Currency	CHF
Fund Currency	CHF
Accounting Year End	31.01.
Security Number	20594630
ISIN-Number	CH0205946301
Bloomberg	SWBCBAC SW
Share Class Launch Date	27.11.2017
Inception Date Fund	26.09.1986
Start Performance Calculation	01.12.2017
Share Class Volume (million)	CHF 16.48
Fund Volume (million)	CHF 164.84
Shares Outstanding	162'269.821
Last distribution (07.05.2024)	CHF 0.70
Benchmark	SBI@ Corporate TR
Flat Fee p.a.	0.63%
Total Expense Ratio p.a.	0.63%
Swinging Single Pricing	Yes
Management Company	Swisscanto Fondsleitung AG, Zurich
Portfolio Management	Zürcher Kantonalbank
Custodian Bank	Zürcher Kantonalbank

Performance

Indexed Performance and Performance in %¹



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

Performance in %²

Since	Net ^a	Gross ^b	Benchmark
1 month	0.10	0.15	0.12
3 months	-0.58	-0.42	-0.18
1 year	5.19	5.86	4.48
3 years p.a.	1.70	2.34	1.40
5 years p.a.	0.23	0.86	-0.15
Start p.a.	0.63	1.27	0.43

Annual Performance in %^{1,2}

Year	Net ^a	Gross ^b	Benchmark
YTD	-0.73	-0.63	-0.34
2024	6.20	6.87	4.94
2023	6.39	7.06	5.70
2022	-9.32	-8.74	-8.99
2021	0.13	0.76	-0.36
2020	0.50	1.14	0.40
2019	3.22	3.87	2.73
2018	-0.93	-0.30	-0.35
2017	0.04	0.09	0.11

Distribution amount in the reference currency^{1,2}

Year	YTD	2024	2023	2022	2021	2020
Distribution	n.a.	0.70	0.40	0.60	0.40	0.60

Absolute money amounts in the reference currency of the fund.

Risk Figures

annualised/realised	1yr	3yrs	5yrs
Volatility Fund	2.65%	3.97%	4.80%
Volatility Benchmark	2.23%	3.48%	4.30%
Beta	1.03	1.05	1.07
Sharpe Ratio	1.46	0.22	0.00
Jensen's Alpha	0.57%	0.27%	0.41%
Information Ratio	0.53	0.19	0.27

Portfolio Data

	Fund	BM
Number of Positions	159	766
Modified Duration	4.77	4.41
Yield (without currency hedging)	1.11%	1.00%
Time to Maturity in Years	5.15	4.70
Average Coupon	1.69%	1.41%
Average Rating	A	A-
Number of direct investments	157	n.a.
Effective Cash	0.64%	n.a.

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

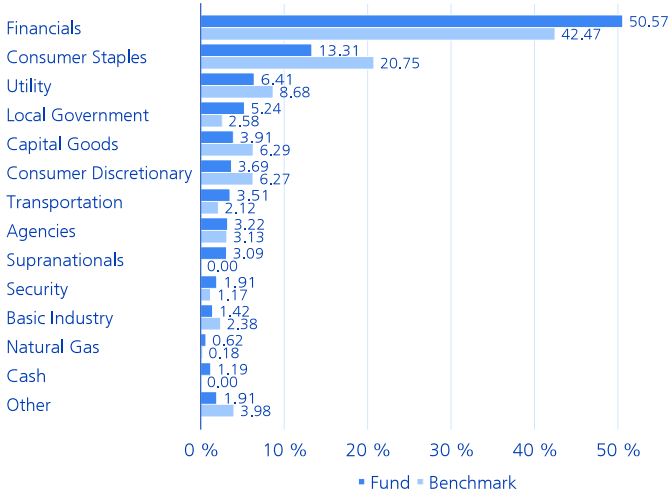
² Minor deviations can be caused by rounding errors.

^a 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.

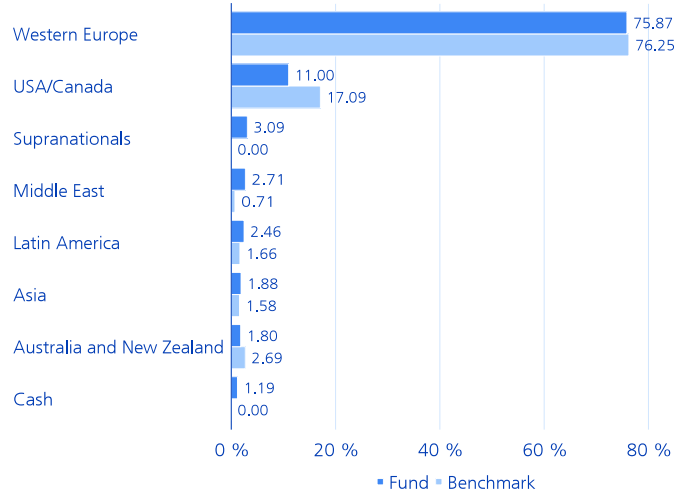
^b The gross performance indicated before deduction of any regular fund fees incurred.

Breakdowns

Breakdown by Sectors in %

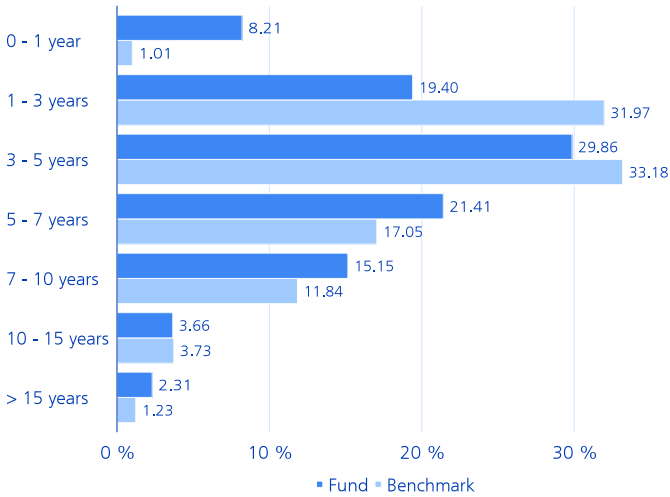


Breakdown by Regions in %



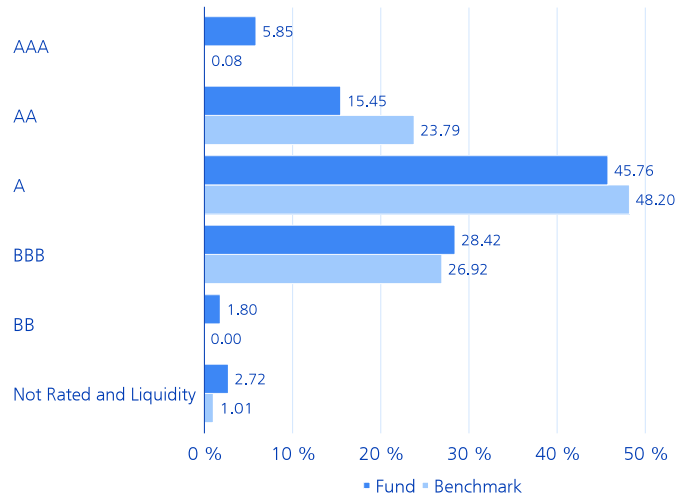
Minor deviations can be caused by rounding errors.

Breakdown by Maturity in %



Minor deviations can be caused by rounding errors.

Breakdown by Credit Rating in %



Largest Issuers in %

	Fund	BM
Credit Agricole SA	1.91	1.87
BNP Paribas SA	1.88	1.42
UBS Group AG	1.83	1.16
Banque Cantonale Vaudoise	1.78	0.77
Credit Agricole next bank Suisse SA	1.76	0.00
Swiss Prime Site AG	1.76	1.46
Thermo Fisher Scientific Inc	1.57	0.71
Banco Santander SA	1.56	1.53
Deutsche Bank AG	1.52	0.70
BPCE SA	1.34	0.68

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 CO₂e 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 2 million per shareholding. For Swiss shares, we vote across the board. 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 CO₂e intensity of the investments by at least 4% per year. The investment strategy target is based on the CO₂e intensity of the investment universe at the end of 2019.

SDGs - SDG-aligned Investing



This 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.

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.

CO₂e

CO₂e equivalents (CO₂e) are a measure to standardise the climate impact of the greenhouse gases carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) 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.

MSCI® ESG

Although Zürcher Kantonalbank's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Comments to the Fund

Target Investor Group - Term

Cooperation Partner Investor

Target Investor Group - Description

B class is only offered to investors whose financial intermediary has concluded a cooperation agreement with Swisscanto Fund Management Company Ltd. The second letter «A» indicates that the class distributes profits. A flat rate administrative fee is charged.

Flat Fee (FF)

The AIF 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.

Swinging Single Pricing (SSP)

Upward or downward correction in the net asset value pertinent for the calculation of the issue and redemption prices depending on whether issues or redemptions of units predominate. The correction (swing factor) is based on the size of the costs incurred by the investment fund in adjusting the portfolio in line with the asset inflows/outflows (neutralises the costs incurred by the investment fund in adjusting the portfolio in line with asset inflows/outflows). The (gross/net) performance shown may contain a swing-price adjustment.

License terms of external data providers

SIX Index Ltd is the source of the respective index and the data contained therein. SIX Index Ltd was not involved in any way in the preparation of the information contained in this report. SIX Index Ltd makes no warranty of any kind and disclaims all liability (whether in negligence or otherwise) with respect to the accuracy, adequacy, correctness, completeness, timeliness and fitness for any purpose of, and any errors, omissions or interruptions in, the relevant index or its data. Any distribution or dissemination of information originating from SIX Index Ltd is prohibited.

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.

Beta

Indicates the relative fluctuation range of a stock compared to the market as a whole. It measures the sensitivity of the stock in terms of fluctuations in its price compared to the market as a whole. If the value is between 0 and 1, the price change is below that of the market. If the beta is greater than 1, the price change of the stock is higher than that of the market on average. If it is less than 0, this describes a movement in the price of the stock counter to market trends. At 0, there is no apparent relationship.

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).

Jensen's Alpha

Jensen's alpha measures the additional return achieved versus a comparable passive investment (i.e. an investment with the same market risk or beta). Jensen's alpha is used to assess the performance of a portfolio manager. It differs from the relative – or excess – return, which is not risk-adjusted.

Information Ratio

The information ratio shows the relationship between under/overperformance and tracking error. It indicates how much more or less return was achieved per unit of active risk incurred or the extent to which the active risk paid off in the form of a higher return.

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.

Effective Cash

Under cash, we report the total effective liquidity of all bank accounts as a percentage. Cash in foreign currencies is converted into the fund currency and added.

Direct Investment

Under number of direct investments (directly held investments), we report the total of all individual investments without the individual positions of the Swisscanto target funds.

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).

Disclaimer

This document is for informational and promotional purposes only. It is intended for distribution in Switzerland and is not directed at investors in other countries. It does not constitute an offer or recommendation to acquire, hold, or sell financial instruments or to obtain services, nor does it form the basis for any contract or obligation of any kind. This document is not a prospectus and not a key information document. The products and services described in this document are not available to U.S. persons according to the relevant regulations. It contains general information and does not take into account personal investment goals, financial situation, or specific needs of any individual. The information should be carefully reviewed for compatibility with personal circumstances before making an investment decision. It is recommended to seek advice from professionals for the assessment of legal, regulatory, tax, and other implications. The document has been prepared by Zürcher Kantonalbank with customary business care and may contain information from carefully selected third-party sources. However, Zürcher Kantonalbank does not guarantee the accuracy and completeness of the information contained therein and disclaims any liability for damages arising from the use of the document or the information contained therein. It should be noted that any information regarding historical performance does not indicate current or future performance, and any performance data shown may not take into account the commissions and costs incurred when issuing and redeeming fund units. With regard to any information on sustainability, it should be noted that there is no generally accepted framework and no universally applicable list of factors to consider to ensure the sustainability of investments in Switzerland. The sole binding basis for the acquisition of funds are the current fund documents (e.g., fund contracts, prospectuses, key information documents, and annual reports), which can be obtained from Swisscanto Fondsleitung AG, Bahnhofstrasse 9, 8001 Zurich. This document was not prepared by the "Financial Analysis" department in the sense of the "Guidelines to Ensure the Independence of Financial Analysis" issued by the Swiss Bankers Association and is therefore not subject to these guidelines. © 2025 Zürcher Kantonalbank. All rights reserved.