

Swisscanto (CH) Real Estate Fund Responsible Swiss Commercial FA CHF

Real Estate | distributing | January 2025 - Marketing Material

Fund Description

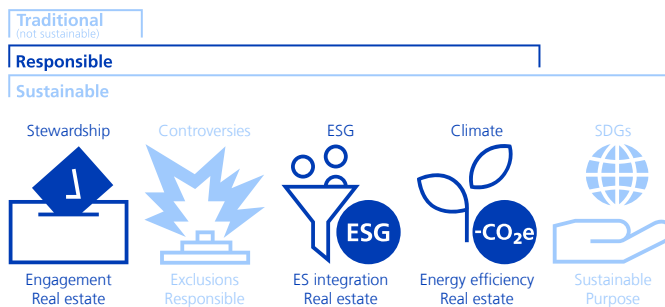
The fund is a Swiss real estate fund. It invests mainly in commercially used properties in Switzerland. The fund's properties are held directly by the fund. The investment target is to achieve stable yields in line with the market and to guarantee maintenance of the value of the properties.

Regional and property-specific diversification reduces the risk in comparison with an investment in a single property unit.

The fund is quoted at the SIX, Swiss Exchange from November 2, 2015.

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).

Profile/Suitability

This product is suitable for investors who

- have a long-term investment horizon.
- wish to participate in mainly commercially used properties in Switzerland.
- are interested in a regular income.
- are prepared to accept certain price fluctuations.

Risk Indicator

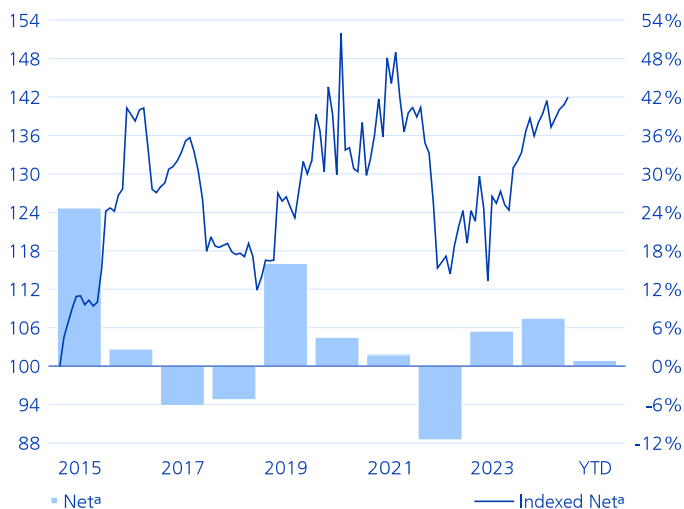
low 1 2 3 4 5 6 7 high

Fund Facts

| | |
|--------------------------------|------------------------------------|
| NAV per Share (31.12.2023) | CHF 99.53 |
| Last Bid Price (31.01.2025) | CHF 103.40 |
| Agio (31.12.2023) | -0.34% |
| Distribution yield | 4.18% |
| 52-Week High (23.04.2024) | CHF 107.00 |
| 52-Week Low (20.08.2024) | CHF 97.20 |
| Fund Domicile | Switzerland |
| Share Class Currency | CHF |
| Fund Currency | CHF |
| Accounting Year End | 31.12. |
| Security Number | 11195919 |
| ISIN-Number | CH0111959190 |
| Bloomberg | SWRESC SW |
| Share Class Launch Date | 02.08.2010 |
| Inception Date Fund | 02.08.2010 |
| Start Performance Calculation | 01.09.2010 |
| Share Class Volume (million) | CHF 517.84 |
| Fund Volume (million) | CHF 517.84 |
| Shares Outstanding | 5'202'605.000 |
| Last distribution (24.04.2024) | CHF 4.15 |
| Benchmark | SXI Real Estate® Funds Broad TR |
| Flat Fee p.a. | 0.45% |
| Total Expense Ratio p.a. | 0.76% |
| 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 | 0.88 | 0.91 | -1.39 |
| 3 months | 2.38 | 2.49 | 3.17 |
| 1 year | 7.55 | 8.02 | 13.17 |
| 3 years p.a. | 0.73 | 1.21 | 1.16 |
| 5 years p.a. | 0.38 | 0.83 | 3.46 |
| 10 years p.a. | 3.11 | 3.57 | 4.76 |

Annual Performance in %^{1,2}

| Year | Net ^a | Gross ^b | Benchmark |
|------|------------------|--------------------|-----------|
| YTD | 0.88 | 0.91 | -1.39 |
| 2024 | 7.47 | 7.95 | 17.59 |
| 2023 | 5.45 | 5.96 | 5.03 |
| 2022 | -11.52 | -11.10 | -15.17 |
| 2021 | 1.75 | 2.18 | 7.32 |
| 2020 | 4.48 | 4.94 | 10.81 |
| 2019 | 16.02 | 16.55 | 20.67 |
| 2018 | -5.25 | -4.79 | -5.32 |
| 2017 | -6.16 | -5.76 | 6.60 |
| 2016 | 2.66 | 3.06 | 6.85 |
| 2015 | 24.68 | 25.25 | 4.17 |

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

| Year | YTD | 2024 | 2023 | 2022 | 2021 | 2020 |
|--------------|------|------|------|------|------|------|
| Distribution | n.a. | 4.15 | 4.15 | 4.15 | 4.10 | 3.70 |

Absolute money amounts in the reference currency of the fund.

Risk Figures

| annualised/realised | 1yr | 3yrs | 5yrs |
|----------------------|-------|--------|--------|
| Volatility Fund | 5.31% | 13.31% | 16.66% |
| Volatility Benchmark | 6.35% | 9.40% | 9.64% |
| Beta | -0.02 | 0.70 | 0.92 |
| Sharpe Ratio | 1.12 | -0.01 | 0.01 |
| Jensen's Alpha | 6.16% | -0.32% | -2.78% |
| Information Ratio | -0.61 | -0.04 | -0.21 |

Further Data

| | Fund |
|-------------------|--------|
| Investment Yield | 1.79% |
| Borrowing Ratio | 26.93% |
| Rent Default Rate | 6.24% |

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

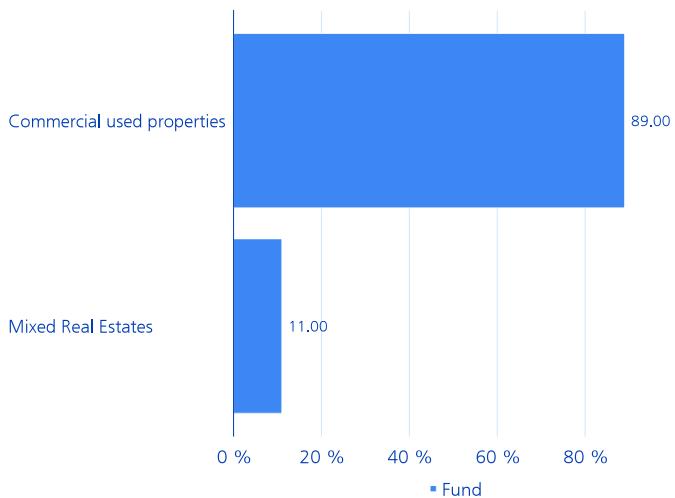
² Minor deviations can be caused by rounding errors.

^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.

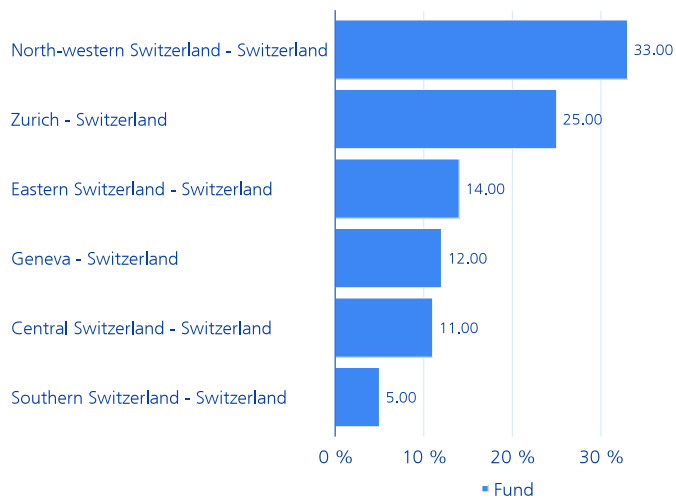
^b The gross performance indicated before deduction of any regular fund fees incurred.

Breakdowns

Breakdown by Utilisation in %



Breakdown by Region 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 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 - Engagement Real estate



With respect to engagement in direct real estate investments, the following applies:

- Suppliers and service providers are required to comply with environmental and social standards;
- In the case of co-owned properties, the asset manager actively engages the co-owners and votes accordingly;
- Tenants are actively informed about sustainability issues.

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 - ES integration Real estate



In the investment process for direct real estate, an ES integration approach with the sub-aspects of environment ("E" for environment) and society ("S" for social) is applied. The environment aspect includes, for example, the energy and greenhouse gas consumption of properties. The society aspect concerns accessibility and security, for example.

Climate - Energy efficiency Real estate



To reduce the CO₂e intensity of the investments, the energy consumption and greenhouse gas emissions of the existing properties are continuously measured. In the case of the CO₂e reduction target, the asset manager focuses on target values that are compatible with the Paris Climate Agreement. To achieve these targets, a CO₂e reduction path is created for all existing properties, which is periodically adapted to the current circumstances.

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.

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.

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

All investors

Target Investor Group - Description

F class is offered to all investors. 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) 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.

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.

Borrowing Ratio

The gearing ratio reflects the degree of external financing of land at the end of the reporting period.

Rent Default Rate

The rental income loss rate indicates the loss of rental income on finished buildings as a percentage of target net rents. Loss of rental includes vacancy and collection losses on rent.

Agio

Mark-up on the purchase of a unit compared to the net asset value of the corresponding unit. The reported premium and the other key figures were taken from the most recently available annual report.

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 advertising purposes only. It is intended for distribution in Switzerland and is not intended for investors in other countries. It does not constitute an offer or a recommendation to purchase, hold or sell financial instruments or to obtain services, nor does it form the basis for a contract or an obligation of any kind.

This document is not a prospectus or a basic information sheet. The products and services described in this document are not available to US persons in accordance with the relevant regulations. This document contains general information and does not take into account personal investment objectives, the financial situation or the special needs of any specific individual. The information should be carefully checked for compatibility with personal circumstances before making an investment decision. For the assessment of legal, regulatory, tax and other implications, it is advised to seek advice from specialists.

The document was prepared by Zürcher Kantonalbank with customary due diligence and may contain information from carefully selected third-party sources. However, Zürcher Kantonalbank provides no warranty as to the correctness and completeness of the information contained therein and accepts no liability for damages resulting from the use of the document or information contained therein.

Please note that any information regarding historical performance is not an indicator for current or future performance and that any performance data presented has been calculated without taking account of the costs and commissions charged at the time of the issue and redemption of fund units.

The sole binding basis for purchasing funds is the current fund documents (e.g. fund agreements, prospectuses, basic information sheets as well as annual reports), which can be obtained from Swisscanto Fund Management Company Ltd., Bahnhofstrasse 9, 8001 Zurich. This document was not prepared by the «financial analysis» department within the meaning of the «Directives on the Independence of Financial Research» published by the Swiss Bankers Association, hence these rules do not apply to this document.

© 2025 Zürcher Kantonalbank. All rights reserved.