

zMonthly August 24

Rapid recovery after the shock

August began with a shock to international stock markets. Following weaker US employment data, falling purchasing managers' indices and a surprise interest rate hike by the Bank of Japan, investors went into risk-off mode. The yen strengthened significantly, causing the Japanese stock market to slump, which in turn had a knock-on effect on other equity markets around the world. In addition, the VIX volatility index, which is regarded as a fear index, recorded its largest ever intraday rise. Fears of recession were somewhat tempered by the unexpectedly low level of initial jobless claims in the US. The Bank of Japan also indicated that it would hold off raising interest rates for the time being in the wake of the turmoil. This eased market fears, and a surprisingly rapid recovery began. The renewed decline in US inflation was interpreted as meaning that nothing stands in the way of the Fed cutting its key rate in September. This was also reflected in Fed Chairman Jerome Powell's speech at the annual Jackson Hole conference. In the end, major markets ended the volatile month on a positive note. Reinsurer Swiss Re reported second-quarter results which beat market expectations. Property developer Hiag also reported good results, thanks in part to a very low vacancy rate. The expansion of the photovoltaic systems on Hiag's properties is progressing. Tecan, on the other hand, surprised investors with a weak half-year result and was forced to lower its outlook, which weighed heavily on the share price. The fund lost 0.2% in August.

Little activity in the portfolio

During the month under review, we increased our exposure to Novartis, Geberit and U-Blox, while realising some price gains in Belimo.

Weak growth in Germany and China

As part of the half-yearly reporting, it became apparent that several manufacturing companies were complaining about challenging markets in Germany and China. Both countries are in a difficult economic situation, with the construction industry and consumer spending suffering. As a second-round effect, many companies in those countries are reducing or postponing planned investments in equipment. Both Germany at 12% and China (including Hong Kong) at 14% are among the most important export markets for Switzerland. If both markets weaken at the same time, the Swiss industry will not be able to escape the downward trend. There are also reports from China of increasing, price-aggressive competition against Western companies. We will continue to monitor the impact on Swiss companies and be even more selective in our stock selection. After the end of the semi-annual reporting period, equity markets are likely to focus on possible interest rate cuts.

Performance since Launch (as of 30/08/2024)



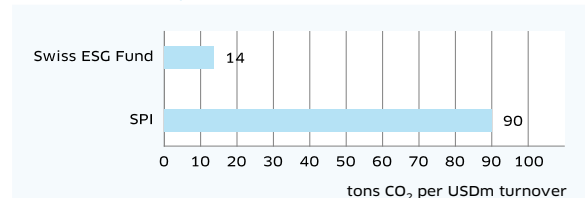
Performance (as of 30/08/2024)

MTD	-0.2%
YTD	10.6%
1 year	15.1%
3 years p.a.	-0.3%
Since launch p.a.	5.5%

ESG Key Figures (as of 30/08/2024)

MSCI ESG Rating	AA
RepRisk Rating	A
zRating (Fund / SPI)	69 / 67
Estimated global warming Fund	<1.5°C
Companies which contribute positively to the UN SDGs (Fund / SPI)	80% / 63%

Carbon Intensity (as of 30/08/2024)



Largest Positions (as of 30/08/2024)

1	Roche	9.5%
2	Novartis	6.8%
3	Zurich Insurance Group	6.3%
4	ABB	5.9%
5	Lonza	4.6%
6	Sika	3.9%
7	SGS	3.4%
8	Swiss Re	3.2%
9	Swisscom	3.2%
10	Sonova	3.1%

Investment Strategy

The zCapital Swiss ESG Fund invests in Swiss equities which zCapital believes qualify as sustainable companies and have an attractive risk and return profile. The fund's assets are invested in a concentrated portfolio of 25 to 35 stocks from the SPI (Swiss Performance Index) universe. In addition to ESG integration, companies which violate social and environmental criteria are excluded. The sustainability of companies is also promoted through engagement and voting. zCapital invests with a long-term horizon and pursues an active selection process.

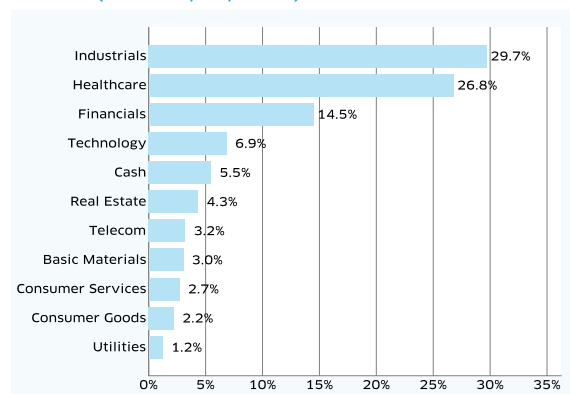
Impact of zCapital

zCapital plants each year 100 trees for every million Swiss francs of assets under management in the zCapital Swiss ESG Fund. In cooperation with myclimate, it is ensured that the trees are cared for in the long term. The project combines nature and climate protection with the creation of new sources of income for small farmers.

Portfolio Structure (as of 30/08/2024)

Net Asset Value	CHF 1,189.01 per Share A
Total Assets	CHF 28 m
Investment Exposure	94.5%
Number of Companies	32

Sectors (as of 30/08/2024)



Termsheet

Fund-Name	Swiss ESG Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	59273267 / CH0592732678
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPESG SW Equity / 59273267.S
Morningstar-Rating	★★★
Minimum Investment / Reference Currency	No minimum investment required / CHF
Fund Type / Distribution	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
Management Fee (incl. Fund Management and Custodian Fees)	1.25%
Issue Fee / Redemption Fee	none
Total Expense Ratio (TER) 31/05/2024	1.37%
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zurich / Bank Julius Baer & Co. Ltd., Zurich
Subscriptions and Redemptions	On each bank working day at Net Asset Value (NAV). Subscription and redemption orders received by the custodian bank by 3.45 p.m. CET at the latest on a given bank business day (order day, T) will be settled on the next bank business day (valuation date) on the basis of the net asset value calculated on that date. The net asset value used to settle the order is therefore not known when the order is placed (forward pricing). The net asset value is calculated on the valuation date on the basis of the closing prices on the order day.
Auditor	PricewaterhouseCoopers AG, Zurich

Monthly Performance (as of 30/08/2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021		-0.9%	6.4%	1.2%	3.6%	4.2%	3.2%	2.0%	-6.1%	1.5%	-0.3%	4.5%	20.6%*
2022	-6.5%	-3.4%	1.6%	-1.1%	-3.8%	-6.9%	4.4%	-3.5%	-5.9%	4.4%	3.0%	-1.6%	-18.5%
2023	5.7%	-0.3%	0.2%	2.8%	-0.9%	0.1%	1.0%	-1.1%	-1.5%	-4.0%	5.6%	3.6%	11.4%
2024	-1.0%	2.1%	4.3%	-2.9%	4.8%	-0.3%	3.6%	-0.2%					10.6%

* since Launch date (29 January 2021)

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