

## zMonthly January 25

### European stock markets perform strongly in January

Global equity markets had a subdued start to the year as the prospect of fewer interest rate cuts by the US Federal Reserve continued to have an impact. In addition, equity markets reacted with losses to strong labour market data and the subsequent rise in US government bond yields. The publication of slightly better US inflation figures for December marked a turning point in sentiment. European equity markets in particular began to rally. As the month progressed, attention turned to the actions of the new US President, Donald Trump. He made a dynamic start to his second term by issuing a number of executive orders, but initially refrained from introducing new tariffs, which was greeted with relief. The Chinese start-up DeepSeek caused a brief but severe shock in the technology sector. Its newly launched AI model R1 is said to have been trained at significantly lower costs and with less powerful chips compared to similar chatbots. This sent the shares of tech giant Nvidia in particular tumbling. Emmi reports surprisingly solid organic growth. Together with partners, Emmi launched RecyPac, a nationwide recycling solution for plastic packaging and beverage cartons. Givaudan's shares came under pressure despite strong full year results. The new CO2 reduction target of net zero by 2045 was confirmed by the Science Based Target Initiative. ublox was unable to sell its loss-making cellular business and will now phase it out. The share price reacted with losses. For once, Temenos surprised investors with a positive profit warning, sending its share price up accordingly. The fund rose 6.1% in January.

### Profits realised at Belimo

We took profits at Belimo after the strong share price performance. On the other hand, positions in Emmi, Landis+Gyr and Novartis were increased.

### Trump launches a trade war

The markets had hoped that Trump was bluffing, but now he is doing it after all. The imposition of high tariffs on imports from Canada and Mexico and additional tariffs on goods from China will only create losers and could trigger a spiral of escalation. A trade war will lead to higher prices for consumers and lower economic growth. It is probably only a matter of time before tariffs are imposed on imports from Europe and Switzerland. Uncertainty still surrounds the further impact of the political changes in America. For example, it is still completely unclear what specific measures will be taken in terms of tax policy or regulatory measures. Led by a few large caps, the reporting season has already started in January. This will increasingly occupy us in the coming weeks. The start to the new trading year has been very encouraging for Swiss equities as well, exceeding our expectations. However, visibility remains low and Trump's unpredictability could still bring us some surprises.

### Performance since Launch (as of 31/01/2025)



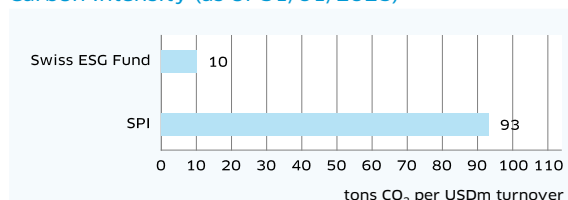
### Performance (as of 31/01/2025)

|                   |       |
|-------------------|-------|
| MTD               | 6.1%  |
| YTD               | 6.1%  |
| 1 year            | 13.0% |
| 3 years p.a.      | 3.1%  |
| Since launch p.a. | 5.5%  |

### ESG Key Figures (as of 31/01/2025)

|   |           |
|---|-----------|
| 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) | 83% / 63% |

### Carbon Intensity (as of 31/01/2025)



### Largest Positions (as of 31/01/2025)

|    |                        |      |
|----|------------------------|------|
| 1  | Roche                  | 9.3% |
| 2  | Novartis               | 8.0% |
| 3  | ABB                    | 5.9% |
| 4  | Zurich Insurance Group | 5.8% |
| 5  | Lonza                  | 4.2% |
| 6  | Swiss Re               | 3.6% |
| 7  | Givaudan               | 3.6% |
| 8  | SGS                    | 3.3% |
| 9  | Temenos                | 3.2% |
| 10 | Geberit                | 3.0% |

## 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.

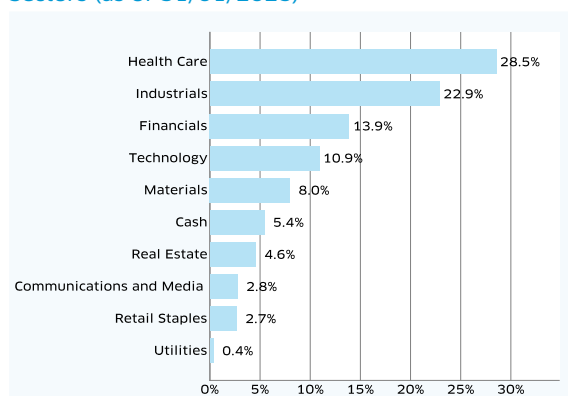
## Impact of zCapital

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 31/01/2025)

|                            |                           |
|----------------------------|---------------------------|
| <b>Net Asset Value</b>     | CHF 1,222.54 per Share ZA |
| <b>Total Assets</b>        | CHF 36 m                  |
| <b>Investment Exposure</b> | 94.7%                     |
| <b>Number of Companies</b> | 32                        |

## Sectors (as of 31/01/2025)



## Termsheet

|  |  |
|--|--|
| <b>Fund-Name</b>   | Swiss ESG Fund (Class ZA)  |
| <b>Asset Manager</b>   | zCapital AG, Zug   |
| <b>Swiss Security Number / ISIN</b>                              | 59273268 / CH0592732686  |
| <b>Price Publications</b>  | www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com  |
| <b>Bloomberg / Reuters</b>                                       | ZCESGZA SW Equity / 59273268.S   |
| <b>Morningstar-Rating</b>  | ★★★★   |
| <b>Minimum Investment / Reference Currency</b>                   | CHF 3 Mio. / CHF   |
| <b>Fund Type / Distribution</b>                                  | Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany  |
| <b>Management Fee (incl. Fund Management and Custodian Fees)</b> | 0.90%  |
| <b>Issue Fee / Redemption Fee</b>                                | none   |
| <b>Total Expense Ratio (TER) 30/11/2024</b>                      | 1.00%  |
| <b>Requirements</b>  | The minimum subscription and minimum investment amount per investor or per asset manager is CHF 3m. Moreover, a written agreement has to be signed with zCapital prior to the investment.  |
| <b>Fund Management Company / Custodian Bank</b>                  | LLB Swiss Investment AG, Zurich / Bank Julius Baer & Co. Ltd., Zurich  |
| <b>Subscriptions and Redemptions</b>                             | 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. |
| <b>Auditor</b>   | PricewaterhouseCoopers AG, Zurich  |

## Monthly Performance (as of 31/01/2025)

|             | Jan   | Feb   | Mar  | Apr   | May   | Jun   | Jul  | Aug   | Sep   | Oct   | Nov   | Dec   | Year   |
|-------------|-------|-------|------|-------|-------|-------|------|-------|-------|-------|-------|-------|--------|
| <b>2021</b> |       | -0.9% | 6.4% | 1.2%  | 3.7%  | 4.3%  | 3.3% | 2.1%  | -6.1% | 1.5%  | -0.3% | 4.6%  | 21.0%* |
| <b>2022</b> | -6.5% | -3.3% | 1.6% | -1.1% | -3.7% | -6.9% | 4.4% | -3.5% | -5.8% | 4.4%  | 3.0%  | -1.6% | -18.2% |
| <b>2023</b> | 5.7%  | -0.2% | 0.2% | 2.8%  | -0.9% | 0.2%  | 1.0% | -1.1% | -1.5% | -3.9% | 5.6%  | 3.7%  | 11.8%  |
| <b>2024</b> | -1.0% | 2.2%  | 4.3% | -2.9% | 4.9%  | -0.3% | 3.6% | -0.2% | 0.3%  | -4.1% | -0.3% | -0.8% | 5.4%   |
| <b>2025</b> | 6.1%  |       |      |       |       |       |      |       |       |       |       |       | 6.1%   |

\* since Launch date (29 January 2021)

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