

## zMonthly May 26

### AI enthusiasm is driving stock markets

In May, the situation in the Middle East continued to have a significant impact on global financial markets. Periods of hope for a swift agreement were repeatedly followed by set-backs. Meanwhile, the ongoing blockade of the Strait of Hormuz has led to increased inflationary pressure due to rising commodity and transport costs. Consequently, consumer prices, and even more so producer prices, have risen significantly in the US. Against this backdrop and amid rising inter-est rates, the new US Federal Reserve Chairman, Kevin Warsh, will find it difficult to justify a cut in key interest rates any time soon. Despite this challenging environment, stock markets have proven to be highly resilient and, with some reaching new record highs. In particular, companies in the semiconductor sector have benefited from the AI boom, with technology-focused stock markets in the US, Taiwan and South Korea performing exceptionally well. Defensive markets such as Switzerland were less able to capitalise on this. Computer accessories manufacturer Logitech reported revenue and profit figures for the past financial year that exceeded expectations. Huber+Suhner surged following strong results from a US competitor and positive target price revisions. The new products for data centres accelerate data traffic and significantly reduce energy consumption. Electricity meter manufacturer Landis+Gyr forecast a decline in sales for the current financial year, weighing on the share price. In the past financial year, the company switched its electricity consumption entirely to renewable energy sources. The fund gained 3.1% in May.

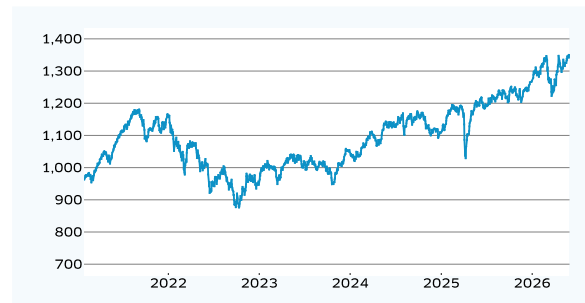
### Sensirion replaces Comet

During the reporting month, we established an initial position in Sensirion. The sensor manufacturer is benefiting from the trend towards climate-friendly refrigerants, regulatory requirements for methane gas monitoring, and higher safety standards for batteries in electric vehicles. Conversely, we sold our entire holding in Comet.

### How long can risks be ignored?

The situation in the Middle East remains volatile despite tentative steps towards reconciliation between the US and Iran. Although markets have long anticipated the imminent reopening of the Strait of Hormuz, a swift negotiated solution remains uncertain. According to experts, Iran can withstand the US naval blockade for another two to three months. President Trump, on the other hand, is making it clear that he wants to extricate himself from this conflict as quickly as possible as the midterm elections in early November draw nearer. Meanwhile, optimism continues to dominate the stock markets, led by the boom surrounding artificial intelligence. Rising inflation figures and the accompanying higher long-term interest rates seem to be of little concern. In our view, however, this poses risks that investors cannot completely ignore.

### Performance since Launch (as of 29/05/2026)



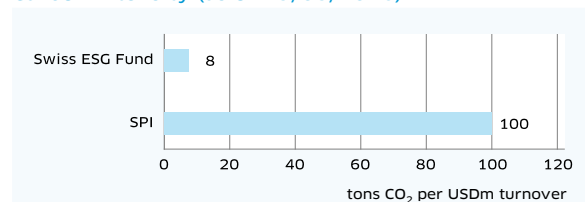
### Performance (as of 29/05/2026)

MTD	3.1%
YTD	6.5%
1 year	13.2%
3 years p.a.	9.5%
5 years p.a.	4.8%
Since launch p.a.	6.6%

### ESG Key Figures (as of 29/05/2026)

RepRisk Rating (Fund / SPI)	A / BBB
zRating	69 / 67
Companies that meet Paris climate targets	97% / 77%
Estimated global warming 2050	1.5°C / 1.8°C
Companies which contribute positively to the UN SDGs	78% / 65%

### Carbon Intensity (as of 29/05/2026)



### Largest Positions (as of 29/05/2026)

1	Roche	9.7%
2	Novartis	9.6%
3	ABB	8.0%
4	Zurich Insurance Group	5.4%
5	SGS	2.9%
6	Givaudan	2.7%
7	Swisscom	2.7%
8	Helvetia Baloise	2.6%
9	Logitech	2.5%
10	Schindler	2.5%

## 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.

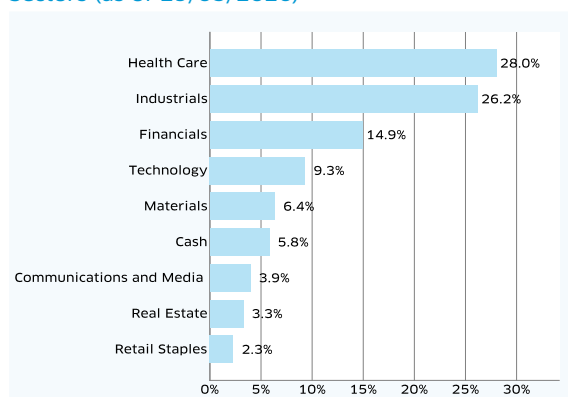
## Impact of zCapital

For every million Swiss francs invested in the zCapital Swiss ESG Fund, 18.2 metric tons of CO2 equivalents are eliminated annually. In partnership with the Swiss foundation Fair Recycling, climate-damaging CFC and HFC gases are extracted and irreversibly destroyed during the recycling of old refrigerators in Brazil.

## Portfolio Structure (as of 29/05/2026)

<b>Net Asset Value</b>	CHF 1,350.19 per Share A
<b>Total Assets</b>	CHF 45 m
<b>Number of Companies</b>	35

## Sectors (as of 29/05/2026)



## Termsheet

<b>Fund-Name</b>	Swiss ESG Fund (Class A)
<b>Asset Manager</b>	zCapital AG, Zug
<b>Swiss Security Number / ISIN</b>	59273267 / CH0592732678
<b>Price Publications</b>	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
<b>Bloomberg / Reuters</b>	ZCAPESG SW Equity / 59273267.S
<b>Morningstar-Rating</b>	★★★★
<b>Minimum Investment / Reference Currency</b>	No minimum investment required / 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>	1.25%
<b>Issue Fee / Redemption Fee</b>	none
<b>Total Expense Ratio (TER) 30/11/2025</b>	1.36%
<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 2.45 pm 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 29/05/2026)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2021</b>		-0.9%	6.4%	1.2%	3.6%	4.2%	3.2%	2.0%	-6.1%	1.5%	-0.3%	4.5%	20.6%*
<b>2022</b>	-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%
<b>2023</b>	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%
<b>2024</b>	-1.0%	2.1%	4.3%	-2.9%	4.8%	-0.3%	3.6%	-0.2%	0.3%	-4.1%	-0.4%	-0.9%	5.1%
<b>2025</b>	6.1%	0.0%	-1.5%	0.2%	3.0%	-0.3%	1.8%	1.1%	-1.3%	1.2%	1.2%	2.3%	14.5%
<b>2026</b>	1.8%	4.3%	-7.1%	4.6%	3.1%								6.5%

\* since Launch date (29 January 2021)

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