zCapital

Swiss ESG Fund
Class A

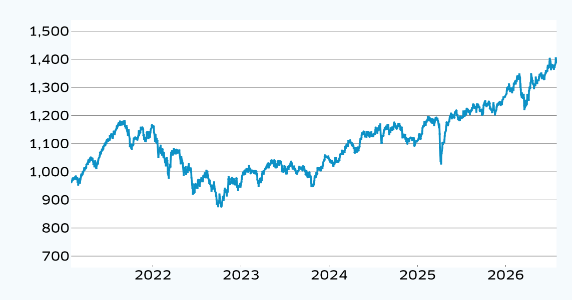
zMonthly July 26

AI stocks under pressure
At the start of the month, the AI rally took a sharp turn. Rumours that Meta intends to market its computing capacity externally have fuelled concerns about potential overcapacities. Consequently, investors took profit mainly in semiconductor stocks. Midway through the month, the ceasefire between the US and Iran broke down. Attacks in the Strait of Hormuz and by the Houthi militia in the Red Sea caused the oil price to temporarily rise to over USD 100. Subsequently, lower-than-expected US inflation data and a brief easing of tensions in the Iran conflict provided support for defensive stock markets, such as Switzerland's. Meanwhile, the decline in AI-related stocks continued. The renewed increase in investment plans for AI infrastructure, such as those announced by Alphabet, were met with growing scepticism. In contrast, the new US tariffs of 12.5% on Swiss imports prompted only modest responses. Towards the end of the month, the US Federal Reserve left its benchmark interest rates unchanged at 3.50–3.75%. The earnings season for the first six months of the year is in full swing. Logitech exceeded expectations in the last quarter. However, an issue with a supplier weighed on the outlook and put pressure on the stock. SIG has impressed with a surprisingly significant improvement in profitability. The packaging specialist has seen rising demand, particularly in Europe, for aluminium-free products that are more climate-friendly. Inficon, a measurement technology specialist, has significantly accelerated its growth and raised its guidance for the current year. The fund increased by 0.9% in July.

Profits taken
During the reporting month, we took profits following the strong price performance of SIG Group and Bossard. Conversely, we increased our holdings in Huber+Suhner, Helvetia Baloise and Zug Estates.

Keeping an eye on the bond market
Since the second week of July, the geopolitical environment has deteriorated again, and concerns about the war in the Gulf region escalating have grown. Unlike the bond markets, however, the stock markets seem largely unconcerned about higher energy prices and the associated inflation risks. However, rising yields on 10- and 30-year government bonds are making corporate borrowing more expensive and are likely to curb consumer spending and slow economic growth. At the same time, the bond market is clearly signalling to the new Fed Chair, Kevin Warsh, that investors want better compensation for long-term inflation risks. This puts pressure on the Fed to tighten monetary policy over the course of the year to combat excessive inflation. This would benefit consumers suffering from rising prices. History shows that a sustained rise in long-term interest rates can eventually become problematic for stock markets, especially in environments characterised by excessive speculation and high valuations. We remain committed to our investment strategy. In the short term, our focus is primarily on the half-year financial results.

Performance since Launch (as of 31/07/2026)



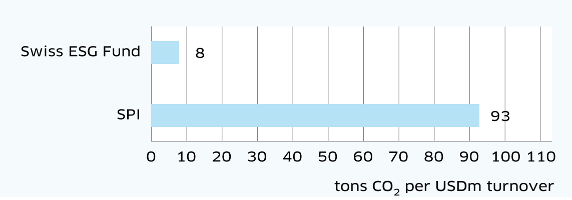
Performance (as of 31/07/2026)

MTD	0.9%
YTD	9.5%
1 year	14.5%
3 years p.a.	10.5%
5 years p.a.	3.9%
Since launch p.a.	6.9%

ESG Key Figures (as of 31/07/2026)

RepRisk Rating (Fund / SPI)	A / BBB
zRating	70 / 68
Companies that meet Paris climate targets	97% / 81%
Estimated global warming 2050	1.5°C / 1.8°C
Companies which contribute positively to the UN SDGs	68% / 60%

Carbon Intensity (as of 31/07/2026)



Largest Positions (as of 31/07/2026)

1	Roche	9.7%
2	Novartis	9.7%
3	ABB	7.1%
4	Zurich Insurance Group	5.8%
5	Sika	3.2%
6	SGS	2.9%
7	Helvetia Baloise	2.9%
8	Swisscom	2.8%
9	Givaudan	2.5%
10	Galenica	2.4%

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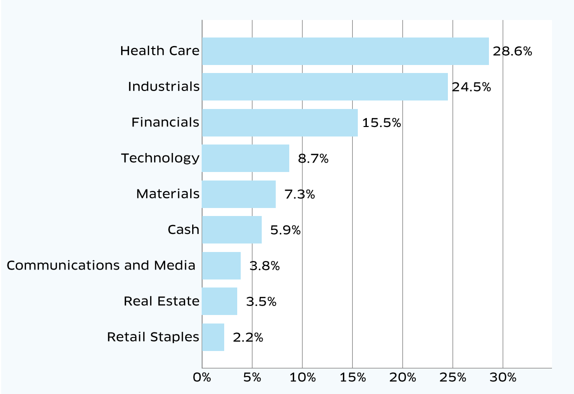
Investment Strategy
The zCapital Swiss ESG Fund invests in Swiss equities which zCapital believes qualify as sustainable companies and have an attractive risk and return profile. The fund's assets are invested in a concentrated portfolio of 25 to 35 stocks from the SPI (Swiss Performance Index) universe. 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 CO_2 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 31/07/2026)

Net Asset Value	CHF 1,389.22 per Share A
Total Assets	CHF 50 m
Number of Companies	35

Sectors (as of 31/07/2026)



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) 30/11/2025	1.36%
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 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.
Auditor	PricewaterhouseCoopers AG, Zurich

Monthly Performance (as of 31/07/2026)

	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%	0.3%	-4.1%	-0.4%	-0.9%	5.1%
2025	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%
2026	1.8%	4.3%	-7.1%	4.6%	3.1%	2.0%	0.9%						9.5%

* since Launch date (29 January 2021)