Swisscanto
by Zürcher Kantonalbank

Swisscanto (CH) Index Equity Fund Switzerland Total (II) FA CHF

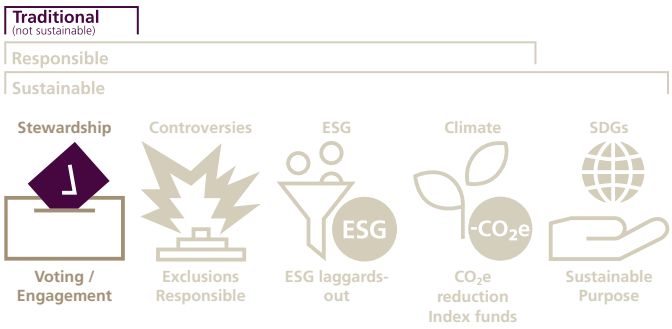
Equity | distributing | March 2024

Fund Description

The fund's objective is to replicate the risk and return characteristics of the benchmark index.

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:
- Greyed-out 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).

Swisscanto Sustainability Rating

high **A** B C D E F G low

Profile/Suitability

This product is suitable for investors who
- have at least a medium-term investment horizon.
- wish to participate in the development of the Swiss equity market and wish to benefit from the yield potential of the underlying benchmark index. An excess return compared to the benchmark index cannot be expected.

Risk Indicator

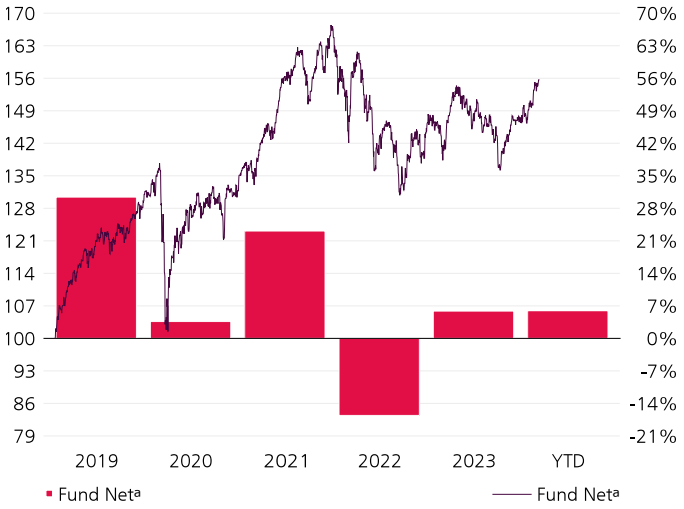
low 1 2 3 **4** 5 6 7 high

Fund Facts

NAV per Share (28.03.2024)	CHF 173.47
52-Week High (08.05.2023)	CHF 176.70
52-Week Low (27.10.2023)	CHF 155.93
Fund Domicile	Switzerland
Share Class Currency	CHF
Fund Currency	CHF
Accounting Year End	30.09.
Security Number	2541749
ISIN-Number	CH0025417491
Bloomberg	SPIINDA SW
Share Class Launch Date	10.07.2006
Inception Date Fund	10.07.2006
Start Performance Calculation	01.08.2006
Share Class Volume (million)	CHF 204.72
Fund Volume (million)	CHF 3'706.29
Shares Outstanding	1'180'167.399
Investment Method	Optimized Sampling
Securities Lending	No
Last distribution (17.01.2024)	CHF 4.40
Benchmark	SPI® TR
Flat-Rate Management Fee p.a.	0.09%
Flat Fee p.a.	0.19%
Total Expense Ratio p.a.	0.19%
Issue Fees in Favour of the Fund	0.02%
Redempt. Fees in Fav. of the Fund	0.02%
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	1m	3m	1yr	3yrs p.a.	5yrs p.a.	10yrs p.a.
Fund Net[a]	3.92	5.95	5.95	3.11	6.38	6.27
Fund Gross[b]	3.93	6.00	6.16	3.30	6.58	6.55
Benchmark	3.94	5.98	6.16	3.29	6.56	6.53

Annual Performance in %[1, 2]

Year	2019	2020	2021	2022	2023	YTD
Fund Net[a]	30.41	3.62	23.11	-16.58	5.87	5.95
Fund Gross[b]	30.66	3.82	23.35	-16.43	6.07	6.00
Benchmark	30.59	3.82	23.38	-16.48	6.09	5.98

Distribution amount in the reference currency as well as in %[1, 2]

Year	2019	2020	2021	2022	2023	YTD
Distribution	3.20	3.60	3.60	3.80	4.25	4.40
Distribution in %	3.09	2.28	2.65	1.65	2.60	2.78

Absolute money amounts in the reference currency of the fund and in percent.

Risk Figures

annualised/realised	1yr	3yrs	5yrs
Tracking Error	0.02%	0.02%	0.03%
Volatility Fund	10.05%	12.79%	12.65%
Volatility Benchmark	10.04%	12.79%	12.65%
Sharpe Ratio	0.42	0.22	0.50

Portfolio Data

	Fund	BM
Number of Positions	196	212

[1] Year/period: Since start performance calculation or at the longest for the last five years/periods.

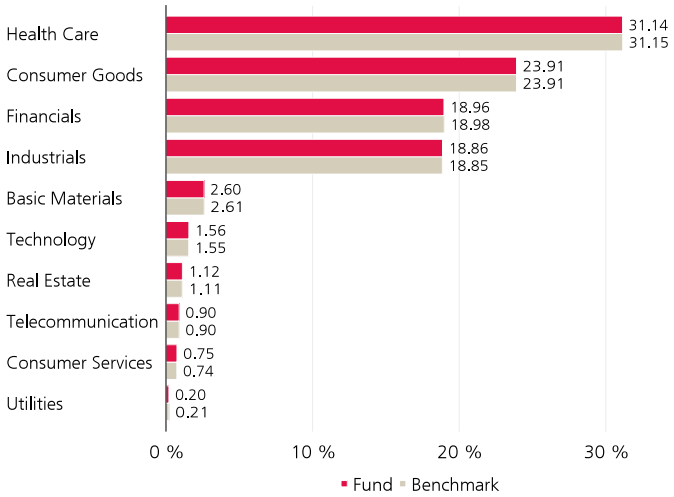
[2] Minor deviations can be caused by rounding errors.

[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 Sectors in %



Minor deviations can be caused by rounding errors.

Largest Positions in %

	Fund	BM
Nestlé SA	16.37	16.36
Novartis AG	11.48	11.46
Roche Holding Ltd	10.33	10.33
UBS Group AG	5.74	5.74
Cie Financiere Richemont SA	4.73	4.73
Zurich Insurance Group Ltd	4.56	4.56
ABB Ltd	4.33	4.33
Holcim Ltd	2.84	2.83
Sika AG	2.75	2.76
Lonza Group AG	2.57	2.57

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 CO_2e 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 - Voting / Engagement
As a shareholder, we actively engage in continuous dialogue with the companies management. This takes place in accordance with the engagement guidelines of Zürcher Kantonalbank's asset management. Among other things, companies are required to formulate ambitious greenhouse gas reduction targets, implement them consistently and report on them transparently. Our engagement activities and guidelines are published on https://www.zkb.ch/en/home/asset-management/sustainability/investment-stewardship.html. Our voting guidelines are based on Swiss and international corporate governance principles and on the United Nations Principles for Responsible Investment (UN PRI). The threshold for exercising voting rights in foreign markets is CHF 5 million per share position. For Swiss shares, we vote across the board. More information on our voting behaviour can be viewed at: https://www.swisscanto.com/voting

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 - ESG laggards- out
The universe of securities is reduced by excluding securities that perform poorly in a peer comparison in terms of ESG criteria (laggard-out).

Climate - CO_2e reduction Index funds
The asset manager reduces the average CO_2e intensity of the investments in indexed Responsible portfolios by at least 20% compared to the benchmark index. In the case of portfolios with investments in government bonds or bonds from government-related issuers, this share is excluded from the stated target value (applicable to the portfolio and benchmark index). For this share, the asset manager aims to achieve a lower average COe intensity of the investments compared to the benchmark index (without a defined minimum reduction). When calculating the average CO_2e intensities, the asset manager relies on data on CO_2e emissions in relation to revenue for companies and, for countries, in relation to gross domestic product.

SDGs - Sustainable Purpose
The "Sustainable Purpose" approach focuses on returns through investments in companies and countries with societal benefits (SDG leaders). SDG leaders use their investment power to provide environmentally and socially responsible products and services. In this way, they contribute to the fulfilment of one or more UN Sustainable Development Goals (UN SDGs). For diversification purposes, a best-in-class approach can also be used to invest in securities that are rated above average in terms of ESG criteria (ESG leaders).

Note:
- Greyed-out 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.

CO_2e
CO_2e equivalents (CO_2e) are a measure to standardise the climate impact of the greenhouse gases carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) 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.

Swisscanto Sustainability Rating
The proprietary Swisscanto Sustainability Rating provides information on the current sustainability level of the portfolio. It is calculated from the values of the collective assets and individual securities contained in the portfolio and is divided into seven sustainability classes from A (highest level) to G (lowest level). To calculate the rating, companies and countries are assessed on the 4 pillars of our sustainability research: controversial areas of business (controversy), sustainable corporate governance (ESG), greenhouse gas emissions (climate) and impact of products on the environment and society (Sustainable Purpose). The Swisscanto Sustainability Rating is recalculated once per quarter end.

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.

Flat-Rate Management Fee (FMF)
The FMF is used for asset management and, where compensated, the sale of the fund. The FMF is a component of the FF.

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.

Issue and redemption charges in favour of funds ("crossing")
The fact sheet mentions the currently valid and maximum charges incurred. To protect existing investors and cover transaction costs, the fund management credits all issue and redemption charges to the respective sub-fund assets. Issue and redemption charges in favour of the fund are reduced to the extent that issues and redemptions can be offset against each other on a bank working day (known as "crossing"). As a result, charges may be reduced. For further information, see fund agreement.

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.

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.

Tracking Error
Tracking error describes the volatility of differences in performance between a fund and its benchmark. Tracking error is a measure of the active risk of the portfolio manager. Passively managed funds have a low tracking error.

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.

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).

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).

Reporting
- Analyses and data from MSCI Inc. (www.msci.com) were used to compile this report.
- Allocations by sector and credit rating are categorised according to the index provider.
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Further Specific Explanations
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