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Press release

Zürcher Kantonalbank sells the BVG asset management business of Swisscanto Vorsorge AG to PFS Pension Fund Services AG

- **One of the largest providers in pension fund management is created, with good growth prospects**
- **All employees of Swisscanto Vorsorge AG's BVG asset management business will be taken over**
- **Zürcher Kantonalbank acquires a 20% stake in PFS**

Zurich, 28 April 2020 – Zürcher Kantonalbank is selling the BVG asset management business of Swisscanto Vorsorge AG (SVAG) to PFS Pension Fund Services AG (PFS), a leading pension fund management provider. At the same time, Zürcher Kantonalbank is acquiring a 20% stake in PFS and remains closely linked to the business. The transaction will be completed by the end of June 2020. It was agreed not to disclose any financial details of the transaction.

Heinz Kunz, Chairman of the Board of Directors of Swisscanto Vorsorge AG, commented on the sale: "The BVG asset management business is undergoing a major upheaval in a consolidating market. Size and the associated economies of scale will be key in creating even more attractive digital asset management solutions in future. We are delighted that in PFS we have found a strong and excellently positioned partner for SVAG's BVG asset management business. Occupational pensions activities continue to be one of the Group's strategic priorities. The fact that we also believe in the growth prospects of the asset management business is underlined by the substantial stake Zürcher Kantonalbank is taking in PFS."

Urs Ackermann, CEO of PFS, said: "SVAG's BVG asset management business and our portfolio ideally complement each other. PFS brings modern IT architecture and has a strong pillar in managing autonomous pension funds, whereas SVAG is well positioned in collective pension foundations. This merger puts us in the top five in the market and we are optimally positioned for future growth in a consolidating market. Ultimately, it's our customers who will feel the benefit from this."

The transaction will see Zurich become a strategic partner of PFS shareholder and acquire a stake of approximately 8% in the combined company. PFS therefore has two strong anchor shareholders. The majority of the shares will continue to be held by the managing partners and employees.

The SVAG division providing services for Pillar 3a pension plans and vested benefits foundations is not part of the transaction. These services include the management of securities accounts and the administration of insurance policies in particular. This unit will remain within the Zürcher Kantonalbank Group. The Swisscanto Pension Fund Study will also remain part of Swisscanto, underlining the continuing strong commitment of Zürcher Kantonalbank and Swisscanto to the entire retirement savings business.

One of the largest providers in pension fund management is created

The merger of SVAG's BVG asset management business and PFS will enable economies of scale to be realised and will create a leading provider in the market, with around 80 employees, 60 pension funds covering over 65,000 beneficiaries and pension assets of CHF 15 billion among its clients.

All 35 employees of SVAG's BVG asset management business will be taken over by PFS. Reto Siegrist, the former Managing Director of SVAG, will join the PFS Executive Board.

The clients of PFS and SVAG will benefit from a significant expansion of expertise. All clients will continue to be served by their usual client advisers.

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Zürcher Kantonalbank

Zürcher Kantonalbank is a leading universal bank in the Greater Zurich Area, with national roots and international reach. It is an independent public-law institution of the Canton of Zurich and has received top ratings from the rating agencies Standard & Poor's, Moody's and Fitch (AAA or Aaa). With more than 5,000 employees, Zürcher Kantonalbank offers its clients a comprehensive range of products and services. The bank's core activities include financing businesses, asset and wealth management, trading, capital market transactions, deposits, payment transactions and card business. Zürcher Kantonalbank provides customers and distribution partners with a comprehensive range of investment and retirement provision products and services.

PFS Pension Fund Services AG

PFS Pension Fund Services AG was founded in 2002 by the SAir Group pension fund. It is one of the leading providers in the field of pension fund management. PFS is an independent company with locations in Glattbrugg and Vaduz and is majority owned by its partners. PFS has 29 clients with approximately 33,000 insured members and pension assets of CHF 9 billion. 45 employees provide individual and personalized service to PFS clients. Reliability, confidentiality and quality are of central importance. In addition to pension fund administration, PFS has its own pension and vested benefits foundation.