

ZKB Portfolio Consulting Premium International

Product factsheet: applicable from November 2023

Investment consulting tailored to your needs

ZKB Portfolio Consulting Premium International combines your personal investment needs with Zürcher Kantonalbank's expertise. Are you interested in investment business and exploring the financial markets? If you prefer to make your own investment decisions and appreciate having your personal relationship manager supporting you with sound advice, then ZKB Portfolio Consulting Premium International is the right choice for you.

Based on your investor profile and our recommendation, you decide on the investment strategy for your mandate. You will receive investment proposals tailored to your needs based on this investment strategy. Those investment proposals include investment funds in order to cover the different asset classes (in particular equities and bonds but also commodities/precious metals and real estate); furthermore also structured Products may be included. When preparing the investment proposal, financial instruments of Zürcher Kantonalbank or its subsidiaries plus a not limited range of third-party provider will be considered. Your investment portfolio is continuously monitored for compliance with the chosen investment strategy and with regard to selected risk factors. If action is required, we will notify you via your preferred communication channel. In addition, you will receive information on the current market assessment and the positioning of the reference portfolio of our Chief Investment Officer (CIO).

Sustainability in your portfolio consulting mandate

Irrespective of the characteristics of mandate selected (Basic, Responsible (ESG), Individual Securities), we also take ESG (environmental, social, governance) criteria into account as a third dimension in addition to the two dimensions of return and risk in our investment advisory mandates. In doing so, we apply the so-called "ESG integration approach", i.e. ESG opportunities or risks are systematically incorporated at all stages of the investment process and are included in the investment proposals. Here we rely on data from an independent third-party provider, and transparently show you the available ESG ratings. In the case of proposing investment funds, we indirectly influence companies sustainability policies through voting & engagement. We additionally consider CO₂e data of the financial instruments used as well as controversial business activities and practices of companies in our investment proposals. The individual sustainability approaches are factored into the investment process as comprehensively as possible, or at least as a defined proportion of the portfolio.

Characteristics

- "Basic": The dimensions of return, risk and ESG are taken into account. We recommend financial instruments which track an index as well as those that are actively managed.
- "Responsible (ESG)": A stronger focus on ESG criteria in reference portfolios, taking into account the dimensions of return and risk into account. We recommend financial instruments which track an index as well as those that are actively managed.
- "Individual Securities": The dimensions of return, risk and ESG are taken into account. We recommend a portfolio with primarily individual stocks for the asset class «equities» in your reference currency (i.e. either "equities Switzerland", "equities Europe" or "equities North America"). All other asset classes are covered with collective investment vehicles.

Your benefits

- Competent investment consulting from your personal client advisor based on the expertise of our CIO and his team of experts
- Two personal investment consulting meetings per year
- Comprehensive eBanking functions such as the visualisation of the investment portfolio including risk/return positioning and ESG rating, investment recommendations, CIO video and notifications – also provided by SMS on request
- Transparent investment report including market report (biannual) and ESG ratings
- Access to cost-effective funds specific for portfolio consulting agreements
- Tax report

Risks

- Investments in financial instruments involve various risks, whereby negative market trends entail losses in keeping financial instruments.
- The investment proposal offered by Zürcher Kantonalbank is based on internal assessments of opportunities and risks associated with the respective investment. Depending on market trends, in retrospect, this may turn out to be incorrect and thus may lead to losses within the investment.

Terms & conditions

The flat fee includes ZKB Portfolio Consulting Premium International, as well as:

- Zürcher Kantonalbank transaction fees (brokerage fees and issuing commissions)
- Custody fees (custody and administration of securities)
- ZKB tax report

The flat fee is a fixed fee based on the average value of the custody account (the cash account balance is not taken into consideration). The fee is debited on a quarterly basis. The flat fee is calculated pro rata if the discretionary mandate is concluded or terminated during the year.

Custody account assets	Flat fee p.a.
up to CHF 500'000	1.10%
up to CHF 1 million	1.00%
up to CHF 2 million	0.90%
up to CHF 5 million	0.80%
up to CHF 10 million	0.70%
over CHF 10 million	upon request

Minimum fee p.a. CHF 1'500.–

Third-party commissions, third-party charges (e.g. stock exchange fees) and taxes are not included. For further details on these costs, please refer to the "Investment business price overview" at zkb.ch/terms. You can also obtain this brochure from Zürcher Kantonalbank.

The bank does not collect any sales commissions on financial instruments which the bank recommends without taking your own investment ideas into account. In case of investment proposals incorporating your own investment ideas or execution-only transactions, it cannot be ruled out that the bank may receive sales commissions. In such a case, it is not possible to determine in advance the extent of the sales commissions in relation to the investment portfolio as a whole. However, the maximum amount can be calculated by multiplying the respective investment volume by the maximum rate for the corresponding product category in accordance with the information sheet on sales commissions and other pecuniary benefits and expressed in relation to the total portfolio.

Exemplary cost information p.a. for an estimated investment amount of CHF 1,000,000

Investment Strategy	Relax		Select		Balance		Ambition		Focus	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Own service costs¹	CHF 10,000	1.00%	CHF 10,000	1.00%	CHF 10,000	1.00%	CHF 10,000	1.00%	CHF 10,000	1.00%
thereof inducements from third-parties	CHF 0	0.00%	CHF 0	0.00%	CHF 0	0.00%	CHF 0	0.00%	CHF 0	0.00%
Third-party service costs²	CHF 2,100	0.21%	CHF 2,100	0.21%	CHF 2,400	0.24%	CHF 2,600	0.26%	CHF 2,700	0.27%
Product costs³	CHF 3,700	0.37%	CHF 3,500	0.35%	CHF 3,100	0.31%	CHF 2,800	0.28%	CHF 2,900	0.29%
Foreign currency costs⁴	CHF 1,200	0.12%	CHF 1,200	0.12%	CHF 1,400	0.14%	CHF 1,400	0.14%	CHF 1,500	0.15%
Total costs	CHF 17,000	1.70%	CHF 16,800	1.68%	CHF 16,900	1.69%	CHF 16,800	1.68%	CHF 17,100	1.71%

This cost information provides an overview how costs related to the investment advisory solution will reduce the return on the advisory mandate each year. Please note that it is based on the following assumptions: An estimated investment amount of CHF 1'000'000, the CIO reference portfolio as well as an average transaction frequency of all clients which make use of this investment solution. These costs are estimated and calculated on the basis of historically monitored figures of comparable advisory portfolios. This cost information does not contain a statement on the level of a potential return as this figure cannot be predicted in advance.

The actual costs depend on your average portfolio volume, the financial instruments you will buy, keep and sell as well as your individual transaction frequency. As investment decisions which differ from the CIO reference portfolio as well as the amount of individual execution-only transactions cannot be predicted, total costs before conclusion of the contract or before a switch in the chosen strategy cannot be stated precisely. However additionally to the exemplary cost information you will receive a transaction-specific cost statement within every investment proposal, portfolio simulation or tactical positioning.

Explanatory notes on the cost information

Service costs: These are costs incurred for the provision of the investment service, whereby a distinction is made between "own costs" (i.e. costs charged by Zürcher Kantonalbank) and "external costs" (i.e. costs charged by third parties).

¹ **Own service costs** consist of an all-inclusive price for investment advice as well as inducements paid to the bank. For the assumed investment amount an intermediate scale price is used. For portfolios which reflect the CIO reference portfolio (i.e. the above mentioned example) the bank does not collect any monetary inducements. Therefore this figure is stated at zero. Investment proposals that integrate your own investment ideas as well as execution-only transactions may in single cases relate to financial instruments for which the bank receives monetary inducements. These inducements will be disclosed within the transaction-specific cost statement.

² **Third-party service costs:** This includes third-party brokerage fees, stock exchange fees and taxes (e.g. stamp duty). Further information on these costs and charges can be found in the "Investment business price overview" at zkb.ch/en/legal/terms-conditions. You can also obtain this brochure from Zürcher Kantonalbank.

³ **Product costs:** The issuer of certain financial instruments such as funds and structured products may charge or levy fees (including costs or expenses) at the expense of the assets of the financial instrument and/or at the expense of the investors (e.g. management fees, transaction fees, issuing and redemption fees, etc.). The charges and fees as determined by the issuer of the financial instrument can affect the performance of the financial instrument and/or the issue or redemption price.

⁴ **Foreign currency costs** relate to transactions in financial instruments where the trading currency differs from the settlement currency. These costs are estimated and calculated on the basis of the above mentioned assumptions (CIO reference portfolio). The actual foreign currency costs may differ from the data shown here, e.g. also due to an individual agreement.

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