

Investment Solutions

Stewardship Report 2025



Zürcher
Kantonalbank

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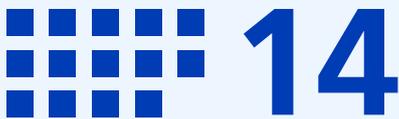
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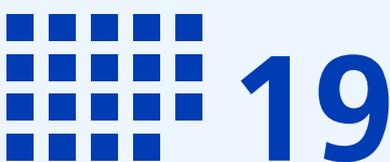
improvement in average voting score over the past three years



asset managers improved their overall score from 2024 to 2025



of asset managers have established a formal escalation process



ongoing engagements in 2025, up from 10 in 2024

Introduction

We at Investment Solutions of Zürcher Kantonalbank are dedicated to allocating assets in a responsible manner and managing risks effectively on behalf of our clients. This commitment extends beyond selecting asset managers of collective investment vehicles - it also involves maintaining an active and constructive dialogue. Our stewardship assessment strives to create a robust benchmarking tool, while our engagement efforts focus on fostering and promoting international standards and best practices in environmental, social, and governance (ESG) topics. As a wealth manager, we rigorously oversee asset managers in our scope to ensure consistent alignment with our values and objectives.

This report provides an overview of our stewardship approach and highlights the initiatives and progress we have made in this area. It also presents the insights from our annual asset manager stewardship assessment, that is now in its third year and contextualizes the results with insights from previous years. In 2025, we evaluated more than fifty asset managers and nearly all of them participated in our stewardship questionnaire. This enabled us to carry out a comprehensive evaluation and for the second consecutive year, share our findings both directly with the asset managers and publicly.

In addition to highlighting our activities and assessment results, this report outlines our expectations for asset managers, showcases best practices, and provides an analysis of emerging trends in the stewardship landscape. Hereby, we also emphasize our commitment to driving meaningful progress and shaping the future of sustainable investing.



Our stewardship approach

Stewardship is a fundamental pillar of our dedication to responsible investment. It serves as a critical tool for proactively addressing sustainability and governance risks, fostering alignment with our values, and driving meaningful progress. Often referred to as Active Ownership, stewardship is closely tied to the duty of loyalty and care (under the Swiss mandate law) of professional investors, reflecting our responsibility to act in the best interests of our clients with the goal of contributing positively to society and the environment.

The concept of stewardship primarily encompasses two key activities: **engagement** – the active dialogue with companies – and **voting** – exercising voting rights at annual general meetings. While stewardship is often understood as the interaction between investors and companies, the activities can be implemented at various levels and by different stakeholders throughout the investment process. Given that the majority of our clients' assets are invested in collective investment vehicles rather than directly in individual companies, we have tailored our approach to stewardship accordingly. At Investment Solutions, stewardship centers on rigorous due diligence of asset managers, alongside lever-

aging our own engagement capabilities as investors. These activities are led by our Manager Selection team, which maintains direct contact and communication with asset managers. Through our efforts, we aim to thoroughly understand and evaluate the approaches asset managers take toward stewardship, while promoting international best practices through active engagement. The insights gained from our stewardship analysis are integral to our manager due diligence process and product selection, forming the foundation for our engagement dialogues.

Our stewardship practices

Our stewardship responsibilities are based on the following actions:

- **Active Dialogues:** Holding meetings and maintaining open dialogues with asset managers' stewardship and sustainability specialists.
- **Systematic Engagements:** Engaging with asset managers to address the findings of our assessment and encourage continuous improvement.
- **Monitoring and Evaluation:** Conducting an in-depth assessment of asset managers' stewardship activities on an annual basis.

To effectively carry out the stewardship activities, a standardized process (outlined in Figure 1) has been established and is designed to recur annually. The second step of this process

(Assessment) is the basis for the next steps and encompasses three evaluation dimensions that are further described in Table 1.

Figure 1: The five steps of the stewardship process



Source: Zürcher Kantonalbank

Table 1: Scorecard dimensions and evaluation criteria for the stewardship assessment

The three dimensions of the stewardship assessment

Transparency and Credibility	The focus is on the presence of a professional stewardship set-up (incl. processes and resources), memberships and activity in collaborative stewardship initiatives as well as professional documentation.
Voting	We chose indicators that focus on the assessment of the voting behavior of an asset manager. Therefore, we assess votes on shareholder proposals, the application of voting escalation strategies, as well as the alignment with our own expectations.
Engagement	We evaluate the engagement guidelines and processes and lay a focus on the effectiveness of engagements by reviewing specific case studies, escalation processes and their application.

Source: Zürcher Kantonalbank

2025 – The year in review

The concept of stewardship is shifting from a collective effort to a more decentralized approach, driven by growing expectations and involvement of end investors. As the democratization of stewardship and the ESG backlash continues to shape the investment landscape, transparency has emerged as a critical priority. The focus has broadened beyond asset managers to encompass asset owners and wealth managers, prompting us to further adapt our approach to align with these evolving market dynamics.

The evolution of stewardship

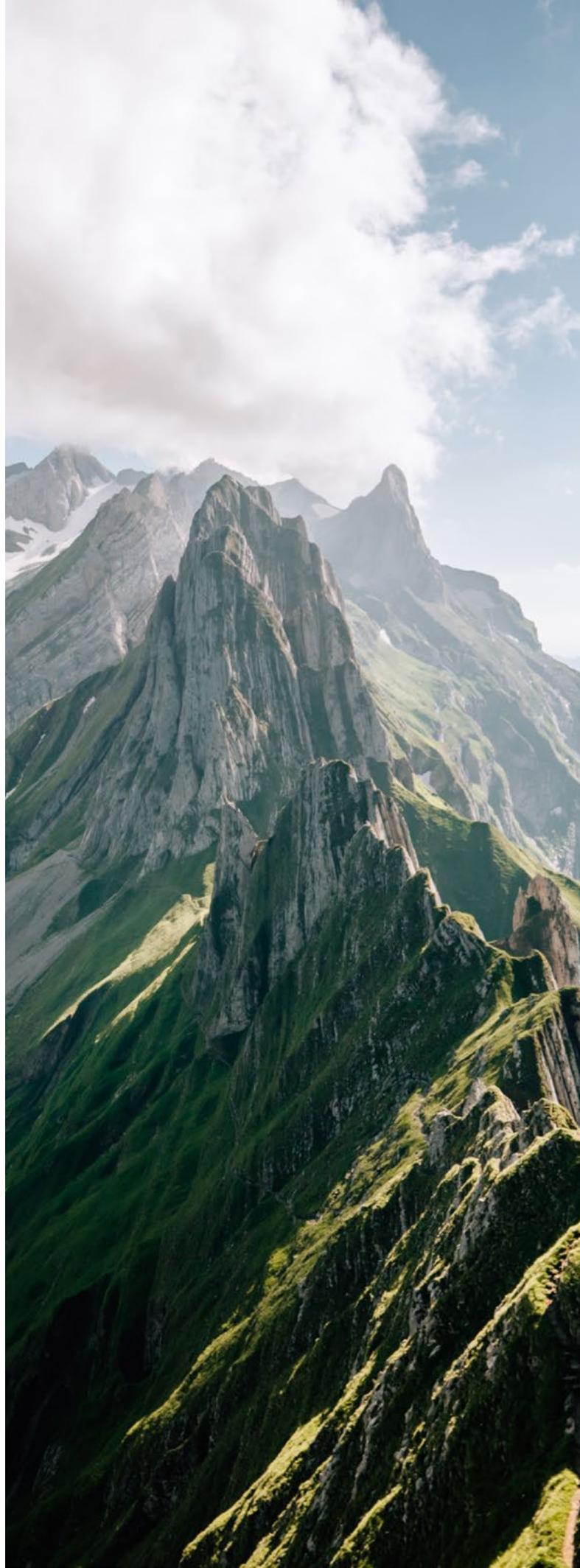
Recent trends in stewardship democratization have placed both institutional and retail investors in the spotlight. Asset managers, guided by their fiduciary responsibilities, are now tasked with addressing a wider range of investor preferences. In response, some have introduced innovative solutions such as segregated stewardship programs and pass-through voting options. These approaches aim to better reflect individual preferences of investors, enabling more representative engagement and voting decisions. This shift has significant implications not only for asset managers but also for asset owners and wealth managers, requiring them to become more active within this topic.

Refinement of our assessment indicators

To stay ahead of market trends and best practices, we annually review and refine the indicators in our stewardship scorecard. The scorecard acts as a basis for evaluating the stewardship activities of asset managers and is developed on the grounds of industry standards, best practice examples and dialogues with the asset managers. In 2025, we made significant updates to reflect the ongoing democratization of stewardship and the increasing demand for transparency. Changes included placing greater emphasis on transparency and transition criteria to reflect current market developments. Therefore, the revised scorecard places a stronger focus on the quality and credibility of stewardship. Asset managers are now evaluated based on their active participation in initiatives, such as holding leadership roles, board memberships, or serving on advisory committees. This shift ensures that the scorecard better reflects genuine commitment and impactful contributions, rather than simply holding membership in initiatives. Mentionable changes were also done within the voting dimension, where voting has been recognized as an important escalation tool complementing engagements. On the engagement dimension, new indicators test the holistic application of an engagement approach. Conversely, certain indicators that have become less relevant or no longer serve as meaningful differentiators were removed. For example, reports now considered standard practice were excluded from the scope of the assessment. While the scorecard provides a valuable snapshot, stewardship dialogues with asset managers remain crucial for a deeper understanding of their approaches and practices.

Introduction of the questionnaire

In 2025, we introduced a dedicated stewardship questionnaire to enhance the robustness and consistency of our analysis. This marked the first time we complemented publicly available information with a standardized questionnaire, ensuring consistent data collection from all asset managers for improved comparability. Additionally, the questionnaire helped automate the evaluation process, minimizing errors and subjective judgment.



Assessment for private markets

To address the unique characteristics of private market investments like Private Equity and Private Debt, we developed a tailored process to evaluate stewardship practices. The existing stewardship scorecard, originally developed for public strategies, was not suitable for evaluating private market strategies due to the fundamentally different approaches to active ownership in these two markets and the distinct tools available for each. As a result, we redefined our due diligence process for private markets manager and developed a standardized question catalogue to ensure consistency and comparability when engaging with private market managers. This catalogue was designed based on desk research and best practice examples from leading asset managers consulted during its development. Given the relatively small number of private market asset managers within our scope, we opted for a qualitative approach to evaluate stewardship. This allows for a more thorough and nuanced assessment of processes and strategies specific to private markets.

Enhancement of processes and reporting

In 2025, we made significant advancements in our stewardship processes and reporting. We published our first [Stewardship Report](#) in spring, providing a comprehensive overview of our activities and progress in this area. Additionally, our [Stewardship Policy](#) was introduced, establishing clear guidelines for our stewardship activities. To further enhance transparency and accessibility, we launched a dedicated [Stewardship Website](#). This platform acts as a central hub for relevant information, including our stewardship policy, reports, and other publicly available documents. By improving our processes and communication, we aim to provide greater clarity and accountability to our clients and stakeholders.

Looking ahead

Through these efforts, we remain committed to evolving our stewardship practices in line with market developments and stakeholder expectations. Our goal is to continue driving meaningful progress in responsible investment while delivering value to our clients, society, and the environment.

51

asset managers were evaluated on their stewardship activities using our scorecard

47

out of the 51 asset managers completed a detailed stewardship questionnaire, resulting in a 95% response rate

30

distinct indicators were assessed

18

dedicated stewardship meetings were conducted

9

new engagements were initiated

Insights from the asset manager stewardship assessment

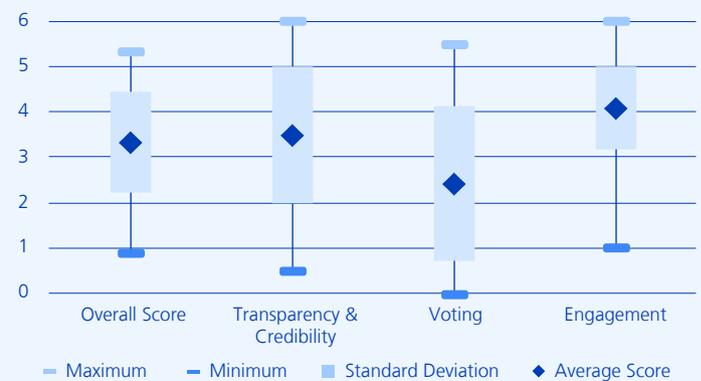
As part of our comprehensive due diligence process, we conduct an annual stewardship assessment of asset managers. This assessment serves as both – a critical component of our selection process and a starting point for meaningful dialogue and engagement with asset managers.

The 2025 stewardship assessment provides a comprehensive analysis of asset managers' stewardship practices, offering insights into peer comparisons and trends over the past three years. The findings highlight a dynamic and evolving stewardship landscape, influenced by regional differences, diverse strategies, and emerging trends.

This year's average scores across the three key dimensions – Voting, Engagement, and Transparency & Credibility – remain consistent with previous years. Engagement continues to achieve the highest scores, reflecting its established role as a cornerstone of stewardship. Voting, however, remains the lowest-scoring dimension and exhibits the greatest variation among asset managers, highlighting the diversity of approaches and priorities in this area (Chart 1).

A three-year historical analysis reveals that while overall stewardship scores have remained relatively stable, the individual dimensions show divergent trends. Transparency & Credibility has experienced a gradual decline, driven by reduced participation in collaborative initiatives, particularly among asset managers from the United States. In contrast, voting scores have steadily increased, supported by greater data availability, although they remain the lowest among the three dimensions. Meanwhile, engagement scores have consistently remained high, reinforcing its critical role in effective stewardship (Chart 2).

Chart 1: Voting shows the lowest average score and the highest variation out of the three assessed dimensions
Average stewardship scores and their standard deviation



Source: Zürcher Kantonalbank

Chart 2: A historical comparison across dimensions reveals that scores have progressed in different directions
Evolution of stewardship scores



Source: Zürcher Kantonalbank



Methodology

The findings presented in this study are based on data from over fifty international asset managers, spanning regions including the United States (US), United Kingdom (UK), Europe, Switzerland, and Asia. We have collected data points based on pre-defined evaluation criteria from publicly available information and responses to an in-house developed questionnaire distributed to all asset managers. For every manager, the gathered information is summarized in a corresponding stewardship scorecard. The scorecard is structured around three key dimensions: Transparency & Credibility, Voting, and Engagement. Together, these dimensions encompass approximately 30 data points, which serve as the foundation for the scores. The selection of the evaluation criteria featured in the scorecard is informed by extensive research, best-practice examples, and insights from previous years' results. Each dimension is scored on a scale from 0 to 6, with 6 being the highest score and 0 the lowest. The overall score is calculated by equally weighting the three dimensions, using the same 0-6 scoring system. This rigorous methodology ensures that the scorecard provides a robust and balanced framework for assessing stewardship practices across a diverse set of asset managers.



The detailed analysis and results can be found in the [Stewardship Insights study](#).

Transparency and credibility

Key observations

Slight but consistent decline in scores over recent years.

New initiatives and standards are emerging, helping to counter-balance the trend of reduced participation in some regions.

Biodiversity-focused collaborative initiatives are gaining momentum, surpassing climate-focused initiatives in membership numbers.

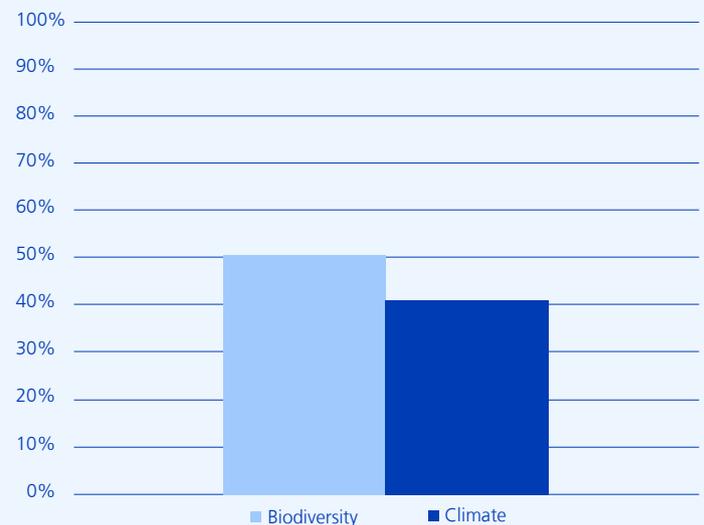
While European managers, especially in the UK, continue to lead in transparency and collaboration, the overall score for this dimension has experienced a slight but consistent decline over the past three years. This trend is primarily attributed to a notable decline in initiative participation among US asset managers.

An analysis of the participation patterns of asset managers in various sustainability initiatives reveals a significant shift: biodiversity-focused initiatives have surpassed climate-focused programs in terms of membership among asset managers in our analysis, as indicated by Chart 3. Concurrently, there has been an observable withdrawal of asset managers from climate-specific initiatives. For instance, participation in the Climate Action 100 initiative has declined over 21% within the last three years. Next to political reasons, this suggests a reallocation of priorities toward addressing further immediate risks associated with ecosystem degradation.

This trend highlights a broader evolution in sustainability priorities, as biodiversity gains prominence in the investment landscape. Companies, investors, and policymakers increasingly recognize its critical role in providing essential ecosystem services such as clean air, water, and climate regulation. However, measuring and collecting data on biodiversity remains challenging, underscoring the need for greater collaboration and knowledge exchange. For a holistic thematic strategy, it is however essential to integrate biodiversity and climate strategies, leveraging their synergies to achieve long-term sustainability.

Chart 3: Biodiversity initiatives are rising in membership numbers

Membership in biodiversity and climate initiatives



Source: Zürcher Kantonalbank

Evaluation

The trend of asset managers exiting collaborative initiatives is certainly concerning; however, understanding the context provides some reassurance. Many asset managers possess the resources and expertise to engage directly on sustainability issues and continue to do so effectively. For instance, larger asset managers with dedicated ESG teams may feel confident in their ability to tackle sustainability challenges independently. However, initiatives remain important for the collective confrontation of certain topics.

Additionally, the shift in focus from climate to biodiversity highlights that collaborative initiatives are often sought for guidance on emerging and complex topics. Biodiversity, being a relatively new area of focus for many investors, demands specialized knowledge, data, and tools to be addressed effectively. Encouragingly, the emergence of new initiatives (like the UN PRI Spring initiative) demonstrates that there remains significant interest and momentum in collectively addressing emerging sustainability challenges.

Voting

Key observations

Voting scores remain the lowest among the three dimensions, with significant variation across asset managers.

Support for environmental and social (E&S) shareholder proposals continues to decline, showing notable regional differences.

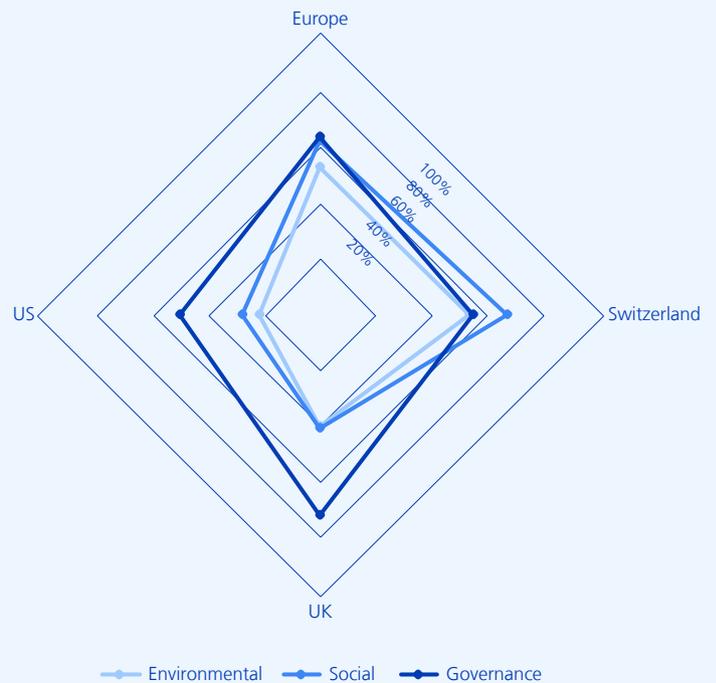
The decentralization and democratization of voting practices are most evident in the rise of pass-through voting.

Voting remains the lowest-scoring dimension on average, but shows a steady upward trend, which is a promising indicator of progress. However this is mainly influenced by an increased availability of data, a development that is viewed positively as it supports transparency improvements. Unfortunately, from a sustainability lens, support for environmental and social (E&S) topics has stagnated or even declined – depending on the region.

A closer examination of voting practices at a regional level reveal that asset managers in Europe and the UK have demonstrated a notable and steady commitment to ESG-related proposals, as shown in Chart 4. The widening gap between the governance (G) and environmental and social (E&S) dimensions is not surprising given the political sentiment present in the US affecting the industry.

However, the controversies and rethinking around ESG investing have not only been negative. They have also prompted a gradual democratization of stewardship practices, with asset managers increasingly incorporating the preferences of underlying investors through solutions like pass-through voting. Currently, 18% of asset managers offer voting choice solutions, with an additional 10% planning to implement such programs in the near future (Chart 5). The growing adoption of pass-through voting reflects a broader movement in the industry, as asset owners demand greater control over voting decisions and asset managers face heightened scrutiny regarding their influence.

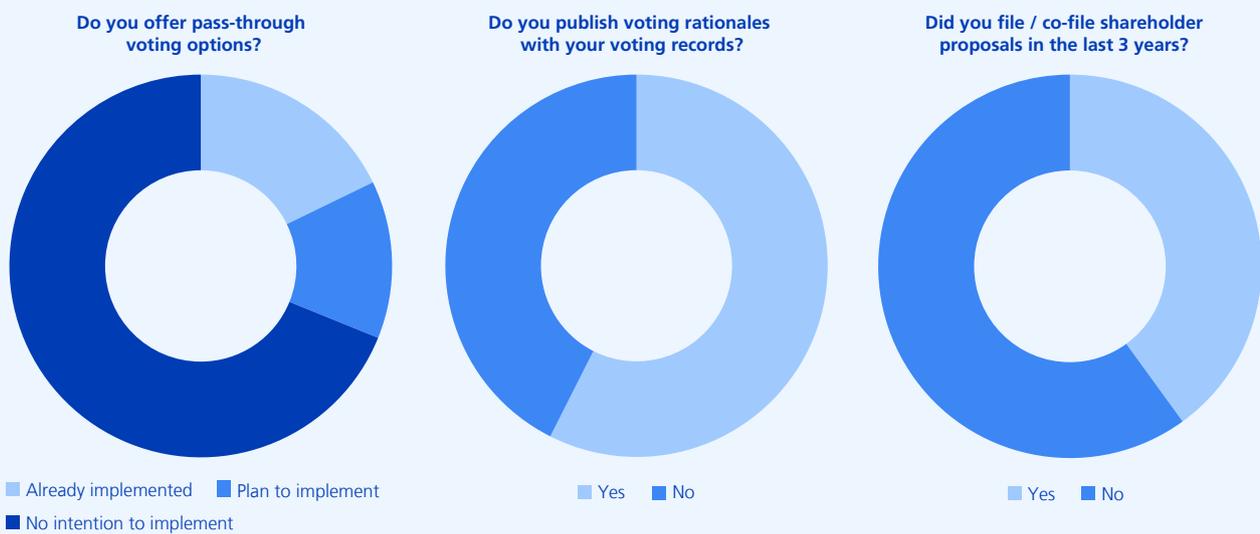
Chart 4: Environmental proposals tend to get the lowest ration of support
ESG shareholder proposal support quotas per region



Source: Zürcher Kantonalbank

Chart 5: Voting shows the biggest differences in approaches of asset managers

Asset managers responses to voting questions



Source: Zürcher Kantonalbank

Transparency is a key driver, as investors seek clear information on asset managers' voting practices. Apart from participating in investor choice programs, this can be achieved by publishing voting records including rationales for certain votes. This is considered best-practice and currently done so by 57% of our assessed asset managers (Chart 5).

Not only transparency, but also intentional voting decisions gained importance in recent years, as it is increasingly recognized as a powerful escalation tool to complement engagements. Some escalation strategies include voting against management recommendations, pre-declaring voting intentions or filing shareholder proposals. However, we observe a decline in the usage of the latter tool. Only 40% of the assessed asset managers have filed a proposal in the past three years (Chart 5).

Evaluation

The inclusion and alignment of investors' values with asset managers' voting behaviors is widely regarded as a positive and progressive development. However, this evolution is not without its challenges. One notable consideration is the complementary and reinforcing role that voting plays in an asset manager's engagement strategy. Voting is frequently employed as an escalation tool in various engagement scenarios, such as filing shareholder proposals, pre-disclosing voting intentions, or casting votes against management.

Pass-through voting, in particular, not only enhances the involvement of asset owners in the decision-making process but also significantly influences engagement and escalation strategies and reduces influence of asset managers. This shift underscores the need for careful coordination to ensure that voting and engagement efforts remain aligned and effective. An alternative leading best practice to involve or inform investors is the transparent disclosure of voting rationales alongside voting records.

Engagement

Key observations

Engagement remains the highest-rated dimension, with the most consistent scores across regions.

Asset managers are adopting more professionalized and holistic engagement strategies, including clear escalation processes.

Fixed income engagement shows improvement potential.

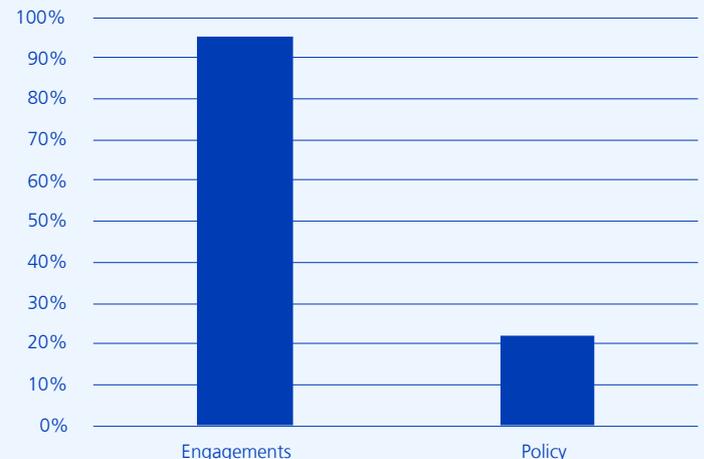
Engagement continues to lead the dimension ranking, achieving the highest average score and lowest variation. These metrics underscore a consistent and widespread commitment to engagement efforts, reinforcing its role as a cornerstone of effective stewardship practices. The previously mentioned regional differences are also present in this dimension, with more holistic and professional approaches seen in European and UK asset managers.

An advanced engagement approach mainly shows in a combination of top-down themes with bottom-up issues, a clear escalation strategy as well as outcome-oriented engagements. Those points have been gradually improving over the last years. For example, the number of asset managers in our assessment with a defined escalation strategy has grown to nearly 100%.

A holistic engagement strategy should align not only on themes but also on engagement efforts across different asset classes in order to achieve the best possible results. In this regard, our data indicates that asset managers neglect fixed income engagement – especially on the sovereign side – compared to corporate engagement. Currently, most asset managers engage with fixed income issuers, but only around 20% have a clear strategy (see also Chart 6). This shows that fixed income engagement processes are still underdeveloped and often overlooked.

Chart 6: The majority of asset managers conduct fixed income engagements, but only few have a dedicated policy

Numbers on fixed income stewardship



Source: Zürcher Kantonalbank

Evaluation

While significant progress has been made in the engagement strategies of asset managers, fixed income engagements often remain underrepresented in overall stewardship approaches. Although equity and fixed income investments exhibit distinct characteristics like the issuer base as well as the applicable escalation tools, both are integral to effective stewardship. When applied together, they form a comprehensive and cohesive strategy, complementing and reinforcing one another. To achieve a truly holistic approach, with clearly defined top-down priority themes, it is crucial to engage corporates, sovereigns, and public institutions with a unified overarching goal in mind to maximise impact.

Conclusion of our 2025 stewardship assessment

Overall, our findings highlight the dynamic nature of stewardship, with significant regional differences, evolving trends in voting and engagement practices, as well as a growing emphasis on transparency. Pass-through voting exemplifies the evolving dynamics of stewardship practices but at the same time also raises broader questions about the future of engagement. If asset managers relinquish voting control, their ability to complement engagements with voting decisions and its status as an escalation tool may diminish. However, despite the potential weakening of the influence on companies, this shift could strengthen the relationship between asset owners and asset managers, fostering deeper alignment over time. It remains to be seen how exactly this development will affect engagements by asset managers.

While asset managers are increasingly shifting toward individual engagement and placing less emphasis on collaborative climate initiatives, biodiversity appears to buck this trend. This suggests that the level of support for initiatives may be linked to the maturity and complexity of the underlying topic. Unlike climate, where data is more readily available and the issues are relatively well-defined, biodiversity remains a more complex and less tangible topic to address for many asset managers.

Similarly, fixed income stewardship represents another area that is still developing within the industry. As the equity space continues to diversify and innovate, there is significant untapped potential in extending these advancements to fixed income stewardship. Despite its current underdevelopment, fixed income stewardship offers opportunities for growth through tailored approaches and tools.

In conclusion, the broader involvement of different market players (e.g. asset owners) and a focus on a more holistic approach including different asset classes create opportunities to strengthen the development of impactful and value creating stewardship.

«We at Investment Solutions of Zürcher Kantonalbank are convinced: Stewardship is no longer solely the responsibility of asset managers – it is a shared responsibility between asset managers, wealth managers and asset owners. Transparency and collaboration are key to driving long-term change and creating sustainable value.»

Our engagement

As part of our own stewardship activities, beyond our annual assessment we actively hold engagement dialogues with asset managers and their respective stewardship specialists. These dialogues are based on the results of the annual analysis. This process underscores our commitment to fostering mutual understanding, facilitating the exchange of expertise, and contributing meaningfully to the continuous improvement of stewardship practices. Our active involvement ensures that we not only evaluate but also actively support the advancement of stewardship practices.



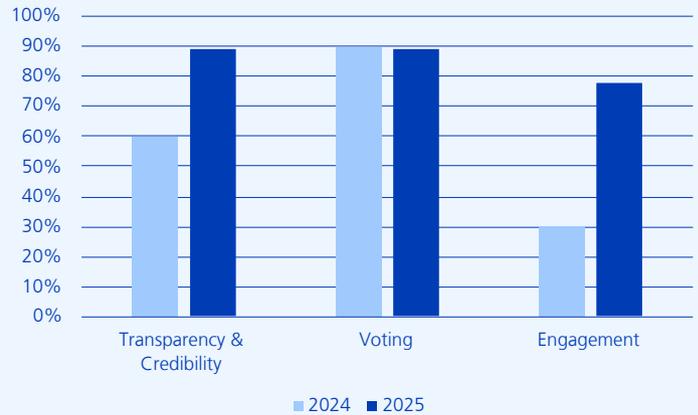
Engagement activities

In 2025, we continued our systematic engagement with asset managers. During these dialogues, we aim to gain a deeper understanding of each asset manager’s stewardship approach. The meetings also allow us to reconcile our own assessments, provide feedback, and suggest possible improvements based on industry best practices. Typically, our engagements begin with a meeting with the asset managers’ stewardship specialists, where we learn about their methods and offer our feedback. We formally consider an interaction as an “engagement” when we send written feedback to the asset manager, including clear recommendations and actionable suggestions for improvement.

In 2025, we conducted 18 dialogues with asset managers, half of which resulted in formal engagements. This is consistent with the previous year, during which 50% of our dialogues led to an engagement. Together, this brings the total number of ongoing engagements to 19. Each engagement focused on multiple topics derived from our assessment indicators and was tailored to address the specific areas of improvement for each asset manager (see engagement topic split in Chart 7).

Chart 7: The number of engagement topics increased compared to the previous year

Our engagements mapped to scorecard dimensions



Source: Zürcher Kantonalbank

Table 2: Assessment and engagement numbers

	2025	2024
Asset managers rated	51	51
Stewardship meetings	18	20
In person	8	9
Call	10	11
Engagements	9 (50%)	10 (50%)

Source: Zürcher Kantonalbank

Engagement focus

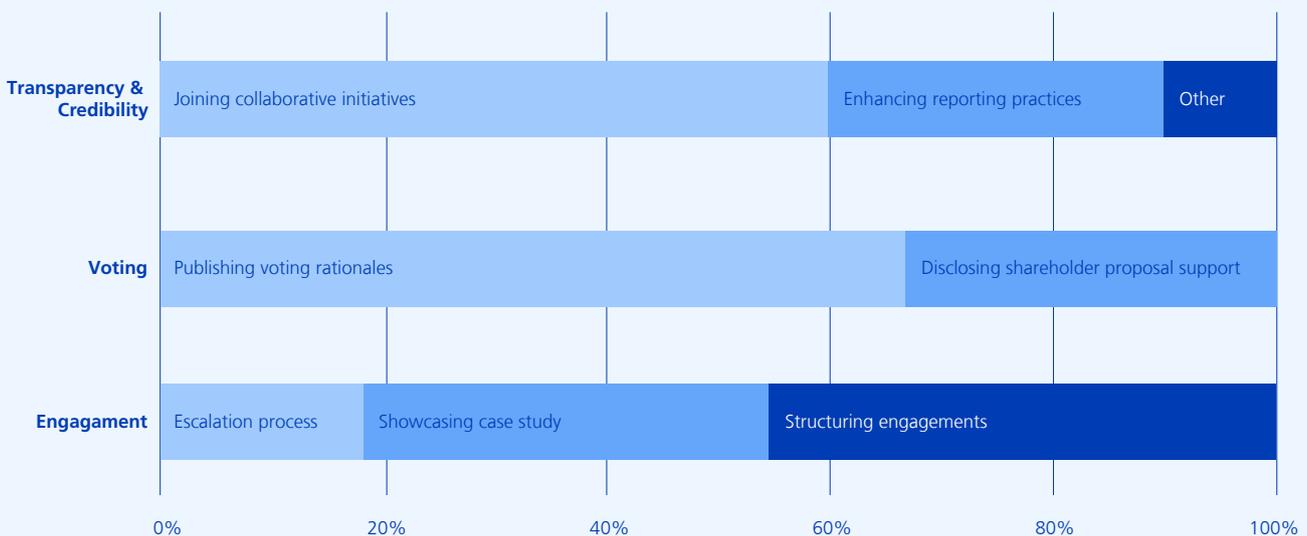
Transparency & Credibility. Engagements related to transparency and credibility increased by 18% compared to 2024. This rise reflects a growing need for improvement in this area, driven by changes in assessment criteria and a declining participation in collaborative initiatives, particularly among U.S. asset managers. A key focus was encouraging asset managers to join relevant collaborative initiatives and adopt emerging standards. Biodiversity-focused initiatives, in particular, were a central area of focus.

Voting. Voting remained a consistent priority, with the share of voting-related engagements steady over the past two years. This consistency highlights the critical role of voting activities in stewardship strategies and the significant potential for improvement in this area. Key engagement topics included encouraging asset managers to publish voting rationales and voting records to enhance transparency and accountability.

Engagement. Engagement-related activities saw a remarkable increase, with the share of engagements targeting this dimension rising from 30% in 2024 to 89% in 2025. This significant growth reflects a stronger emphasis on holistic engagement approaches and outcome-focused engagement practices. Key areas of focus included the development of holistic engagement strategies, the implementation of clear escalation processes, and the integration of case studies to demonstrate the impact of engagement efforts.

While each engagement was tailored for each asset manager, several recurring themes emerged across our dialogues. The most frequently addressed topics included recommendations for joining collaborative initiatives (Transparency & Credibility), publishing voting rationales (Voting), and implementing clear escalation processes (Engagement), as illustrated in Chart 8. These areas were identified as critical for advancing transparency, accountability, and the overall effectiveness of stewardship practice.

Chart 8: Voting is the dominant 2025 engagement topic
Breakdown of the engagement sub-topics by scorecard dimension



Source: Zürcher Kantonalbank

Engagement examples

Case study 1: Improving transparency through voting rationales

Background: In the third year of our annual assessment, the scores of one asset manager declined significantly across all three dimensions. This was primarily due to the introduction of new indicators in 2025, which reflected evolving market standards. The assessment revealed that the asset manager was underperforming relative to its peers and had fallen below our minimum acceptable threshold for fund selection.

Objective and actions taken: Our goal was to encourage the asset manager to adopt our recommendations to improve their stewardship practices and scores. We shared best practices and actionable suggestions to enhance the transparency and impact of their activities. Concrete actions included initiating an engagement by highlighting the decline in their scores and their failure to meet our selection standards. The feedback included specific recommendations¹ for improvement, such as joining collaborative initiatives, publishing voting records and rationales, and adopting a robust engagement approach with a clear escalation strategy.

Outcome: The asset manager responded positively to our feedback and promptly scheduled a call to discuss the findings and recommendations in detail. During the discussion, they provided additional insights into their current stewardship approach and expressed a strong willingness to address the identified gaps. They confirmed plans to publish voting records and rationales for the first time, highlighting client feedback—including ours—as a key driver for this decision. The asset manager committed to notifying us upon implementing these changes, and we are optimistic that these efforts will result in measurable improvements in their stewardship score in the next assessment cycle.

«Our detailed analysis enables us to provide tailored feedback to each asset manager and promote best-practice examples.»

¹The implementation of these recommendations is at the sole discretion of asset managers



Case study 2: Encouraging participation in collaborative initiatives

Background: Over the past three years, we have engaged in regular stewardship dialogues with a particular asset manager, providing feedback on their approach and encouraging them to enhance their practices.

Objective and actions taken: Our primary goal was to encourage the asset manager to join relevant collaborative initiatives, which are critical for advancing industry-wide sustainability efforts. In the fall of 2024, we initiated a formal engagement with the asset manager, specifically recommending that they join relevant initiatives. After their initial response, indicating that they would consider our suggestion, we followed up with a subsequent meeting in autumn of 2025 to review their progress.

Outcome: During the follow-up meeting, the asset manager informed us that they had decided to join the UN PRI Spring initiative and had officially become a signatory. We believe our engagement was pivotal in influencing this decision, and we are pleased with this positive outcome.

Outlook

In the year ahead, we look forward to observing the changes driven by evolving stakeholder expectations. As we adapt to emerging standards, our focus remains on maintaining the effectiveness of our stewardship efforts while actively contributing to industry collaboration.



Impactful stewardship efforts

Based on our analysis, the questionnaire responses, as well as discussions with the asset managers, we have identified key focus areas for the coming year. These include prioritizing engagements on sustainability themes like climate and biodiversity that are aligned with our long-term objectives and reflect the most pressing market challenges. Furthermore, we continuously lay a big focus on the transparent insights of engagement and voting activities and on the presence of a holistic approach as well as the achievement of impact. By concentrating on these priorities, we aim to ensure that our own stewardship efforts remain impactful and aligned with the evolving market standards and expectations of our stakeholders. We also recognize the importance of adapting to the rapidly evolving regulatory landscape and shifting market dynamics. As new standards emerge, we will continue to refine our evaluation criteria and engagement strategies to ensure they remain relevant and forward-looking. This will allow us to better support asset managers in meeting heightened expectations and delivering meaningful outcomes.

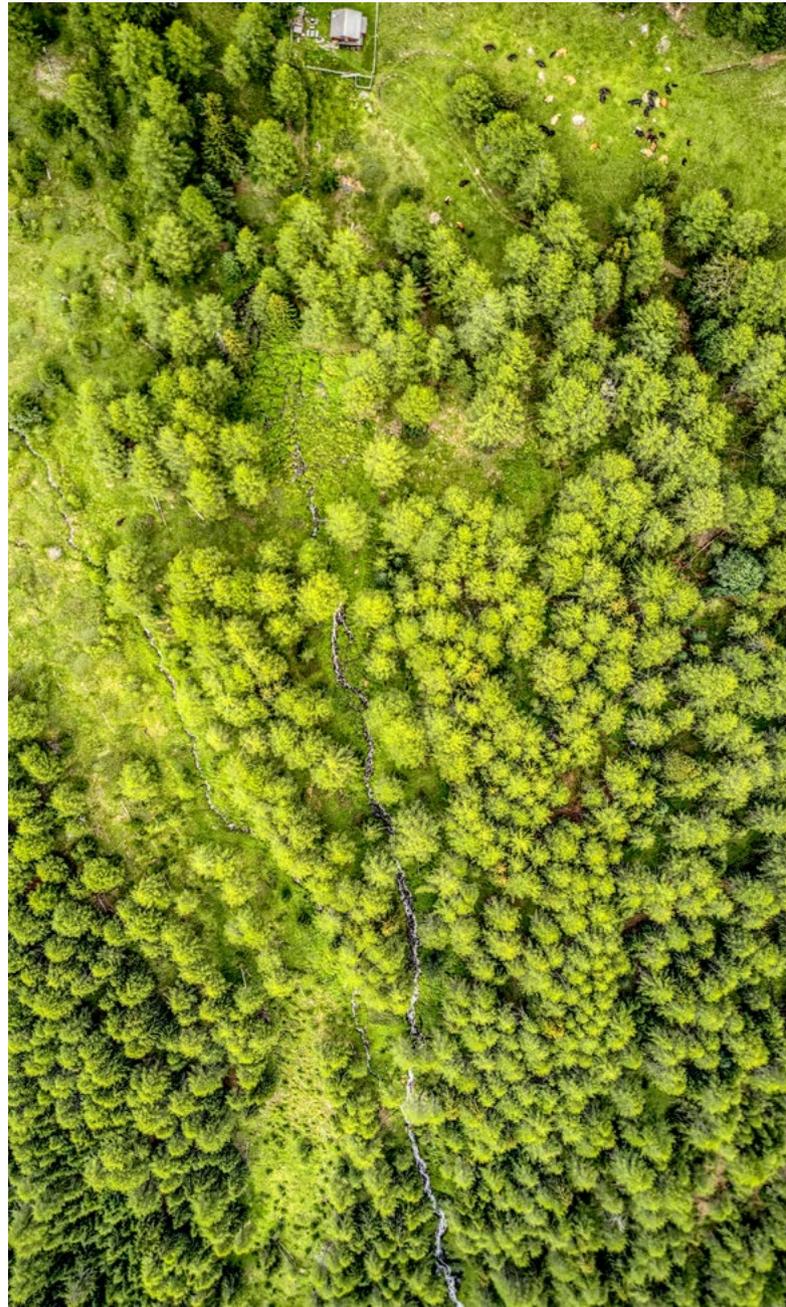
Progress through industry-wide collaboration

Collaboration will remain a cornerstone of our approach. While some asset managers may narrow their focus or reduce participation in collective initiatives, we believe that working together across the industry is critical to address systemic challenges and driving positive change. We will continue to engage in and support collaborative efforts, while also encouraging asset managers to pursue high-quality, targeted engagements that align with their expertise and resources. In terms of engagement, we focus on promoting holistic approaches that include all asset classes. Voting is expected to undergo the most significant changes and adaptations. However, we remain committed to prioritizing transparency. As a wealth manager, we aim to foster collaboration in the industry and hold constructive dialogues with asset managers. We believe that every part of the investment value chain plays a vital role in advancing stewardship.

Stewardship as flexible and evolving concept

Looking ahead, we are optimistic about the future of stewardship. It is as a powerful and flexible tool to navigate the complexities of sustainable investing, manage risks, and create long-term value. As the market for stewardship matures and its importance grows, we are committed to playing an active role in shaping its development and ensuring it remains a crucial driver of positive change for our clients, the market, and society at large.

«Our goal is to always stay ahead of market developments to identify and promote best practice across the industry.»

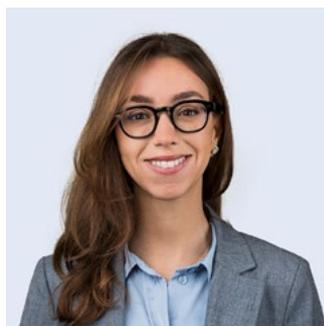


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