

# ZKB Portfolio Consulting Premium International

**Product factsheet: applicable from June 2024**

## **Investment consulting tailored to your needs**

Are you actively involved in the financial markets and would like to make your own investment decisions based on the recommendations of Zürcher Kantonalbank's investment experts? Then ZKB Portfolio Consulting Premium International is the right solution for you because it combines your individual investment needs with the Zürcher Kantonalbank's expertise.

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 conclude investment funds in order to cover the different asset classes (in particular equities and bonds and other asset classes); 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).

## **ZKB Portfolio Consulting Premium International at a glance**

- 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 visualization of the investment portfolio including risk/return positioning and sustainability approaches, investment recommendations, CIO video and notifications – also provided by SMS on request
- Access to cost-effective funds specific for portfolio consulting agreements
- Transparent investment report including market report (quarterly)
- Annual 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.

## Available characteristics

You have the choice between the following characteristics of the mandate:

Characteristic	Financial instruments recommended	Sustainability approaches taken into account
Basic	Actively and passively managed collective investments as well as additional structured products	<ul style="list-style-type: none"><li>– Stewardship: Voting &amp; Engagement</li><li>– Avoidance of controversies</li><li>– ESG integration</li><li>– Climate: CO<sub>2</sub>e-reduction<sup>1</sup></li></ul>
Individual securities	Actively and passively managed collective investment schemes, as well as structured products and individual securities specifically for the asset class “Equities” in the respective reference currency (i.e. either “Equities Switzerland”, “Equities Europe” or “Equities North America”)	<ul style="list-style-type: none"><li>– Stewardship: Voting &amp; Engagement</li><li>– Avoidance of controversies</li><li>– ESG integration</li><li>– Climate: CO<sub>2</sub>e-reduction<sup>1</sup></li></ul>
Responsible (ESG)	Actively and passively managed collective investments as well as additional structured products	<ul style="list-style-type: none"><li>– Stewardship: Voting &amp; Engagement</li><li>– Avoidance of controversies</li><li>– ESG integration</li><li>– Climate: CO<sub>2</sub>e-reduction<sup>1</sup></li><li>– SDG-aligned investing</li></ul>

<sup>1</sup> This sustainability approach is based on the goal of limiting global warming to below 2 °C (Basic and individual securities) or to a maximum of 1.5 °C (Responsible (ESG)) compared to the pre-industrial age.

In addition, sustainable investments in order to achieve environmental and/or social objectives (in accordance with the EU Sustainable Finance Disclosure Regulation, SFDR) are taken into account, with a minimum share of 5% for the characteristics Basic and Individual Securities and 10% for the characteristic Responsible (ESG). All characteristics also take into account adverse effects on sustainability factors (Principal Adverse Impact, PAI) with a minimum share of 67% of the portfolio. The current sustainability-related disclosures under the EU Sustainable Finance Disclosure Regulation are available at [zkb.ch/SFDR-disclosures](https://zkb.ch/SFDR-disclosures).

The characteristics may vary in investment guidelines, and may therefore exhibit different specifications (e.g. in terms of performance and volatility). The dimensions of return and risk are always taken into account during the investment process, and the Bank therefore reserves the right to adjust the investment guidelines (such as the consideration of individual sustainability approaches) at any time after dutiful judgement. You can find the latest information on the individual ZKB sustainability approaches at [zkb.ch/sustainability-approaches](https://zkb.ch/sustainability-approaches).

## Conditions

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.–

The flat fee includes

- ZKB Portfolio Consulting Premium International incl. advice and support
- 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 portfolio consulting mandate is concluded or terminated during the year.

Commissions and third-party charges (e.g. stock exchange fees and product costs), premiums and discounts on mid-market exchange rates (FX spreads) for securities transactions involving currency exchange as well as government levies are not included. For further details on these costs, please refer to the “Investment business price overview” at [zkb.ch/terms](https://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. In case of 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	%
<b>Own service costs<sup>2</sup></b>	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
<b>Third-party service costs<sup>3</sup></b>	CHF 2,839	0.28	CHF 2,859	0.29	CHF 3,358	0.34	CHF 3,813	0.38	CHF 4,014	0.40
<b>Product costs<sup>4</sup></b>	CHF 3,424	0.34	CHF 3,296	0.33	CHF 2,969	0.30	CHF 2,641	0.26	CHF 2,603	0.26
<b>Foreign currency costs<sup>5</sup></b>	CHF 600	0.06	CHF 600	0.06	CHF 720	0.07	CHF 840	0.08	CHF 840	0.08
<b>Total cost</b>	<b>CHF 16,863</b>	<b>1.69</b>	<b>CHF 16,755</b>	<b>1.68</b>	<b>CHF 17,048</b>	<b>1.70</b>	<b>CHF 17,294</b>	<b>1.73</b>	<b>CHF 17,457</b>	<b>1.75</b>

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 executiononly transactions cannot be predicted, total costs before conclusion of the contract or before a switch in the chosen strategy cannot stated precisely. However additionally to the exemplary cost estimate you will receive a transaction-specific ex ante cost information 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).

<sup>2</sup> **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 ex ante cost statement.

<sup>3</sup> **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](https://zkb.ch/en/legal/terms-conditions). You can also obtain this brochure from Zürcher Kantonalbank.

<sup>4</sup> **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.

<sup>5</sup> **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.

#### **Legal notices**

**Marketing information: This document is for information and advertising purposes.** Zürcher Kantonalbank reserves the right to change services, products and prices at any time without prior notice. If the document is a contractual component of a portfolio consulting agreement, the customer will be notified of any changes as per the agreement. Due to legal, regulatory or tax provisions, the availability of products and services to certain persons may be subject to restrictions, which may arise in particular due to their place of residence or domicile, nationality or customer segmentation. Restrictions apply in particular to US persons in accordance with the relevant regulations. The investment advice provided by Zürcher Kantonalbank is always based on an internal assessment of the investment opportunities and risks. Depending on market developments, this may prove to be incorrect in retrospect, which may lead to investment losses. © 2024 Zürcher Kantonalbank. All rights reserved.