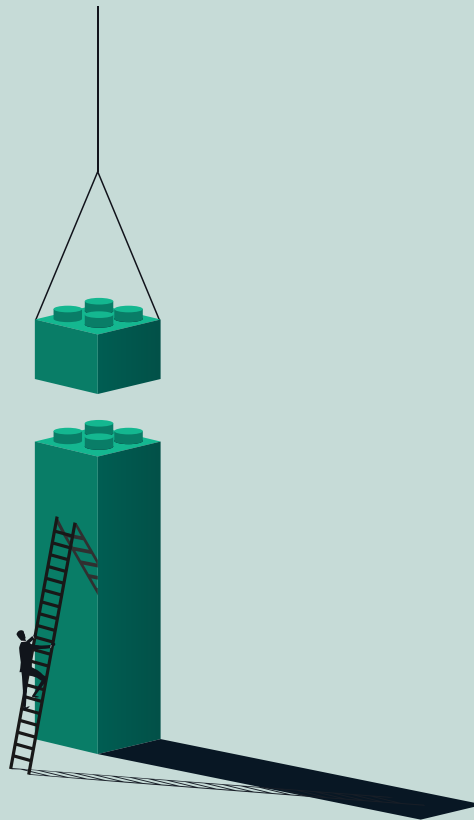


Distribution Insights Report

The Investment Navigator client magazine
Q4/2024 ISSUE



- ▶ **The IFZ Sustainable Investments Study 2024**
"Ask a Navigator" with Brian Mattmann
- ▶ **Aladdin Wealth and Investment Navigator**
Streamline cross-border compliance and product suitability capabilities
- ▶ **In-Depth US Distribution Restriction Classifications**
- ▶ **UK Overseas Fund Regime** REGULATORY RADAR
- ▶ **Fund House Spotlight: Swisscanto**
Sustainable thematic funds: Applications across multiple areas
- ▶ **Release Notes**
- ▶ **On board with Karin** NAVIGATOR LIFE
Meet Karin, Business & Sales Support
- ▶ **Statistics**

The IFZ Sustainable Investments Study 2024 has put a spotlight on biodiversity. Which findings surprised you the most?

Biodiversity is becoming increasingly important for companies and their investors, as the dependence of certain sectors on ecosystem services entails financial risks, and corporate activities often contribute to ecosystem degradation. The loss of biodiversity is also closely linked to climate risks: it affects ecosystems' ability to regulate the climate, while rising temperatures accelerate species loss. Given this, I was quite surprised that the level of knowledge within the financial industry regarding biodiversity—especially compared to climate change—is still significantly underdeveloped. The industry faces the challenge of building relevant expertise, but it is still in the early stages of doing so.



ASK A
NAVIGATOR

Dr. Brian Mattmann
Lecturer and Co-Author
of the IFZ Sustainable
Investments Study

The IFZ Sustainable Investments Study has been published by you since 2017 and is considered the most comprehensive market analysis of sustainable funds in Switzerland. How has the market evolved from your point of view since 2017?

The market for sustainable funds in Switzerland has grown tremendously since 2017. What was once a niche segment with 315 sustainability funds and assets of CHF 100 billion has since developed into an independent fund segment with 2,325 funds and managed assets of CHF 1,323 billion. The period between 2019 and 2022, in particular, saw exceptionally high growth rates, as investors clearly favored sustainable funds over conventional ones when allocating new capital. At the same time, regulation became increasingly important. In particular, the numerous regulatory requirements set by the EU have significantly shaped the market and continue to influence it. Overall, the market has evolved both quantitatively and qualitatively—a clear advantage for investors.

Continue to the next page ►

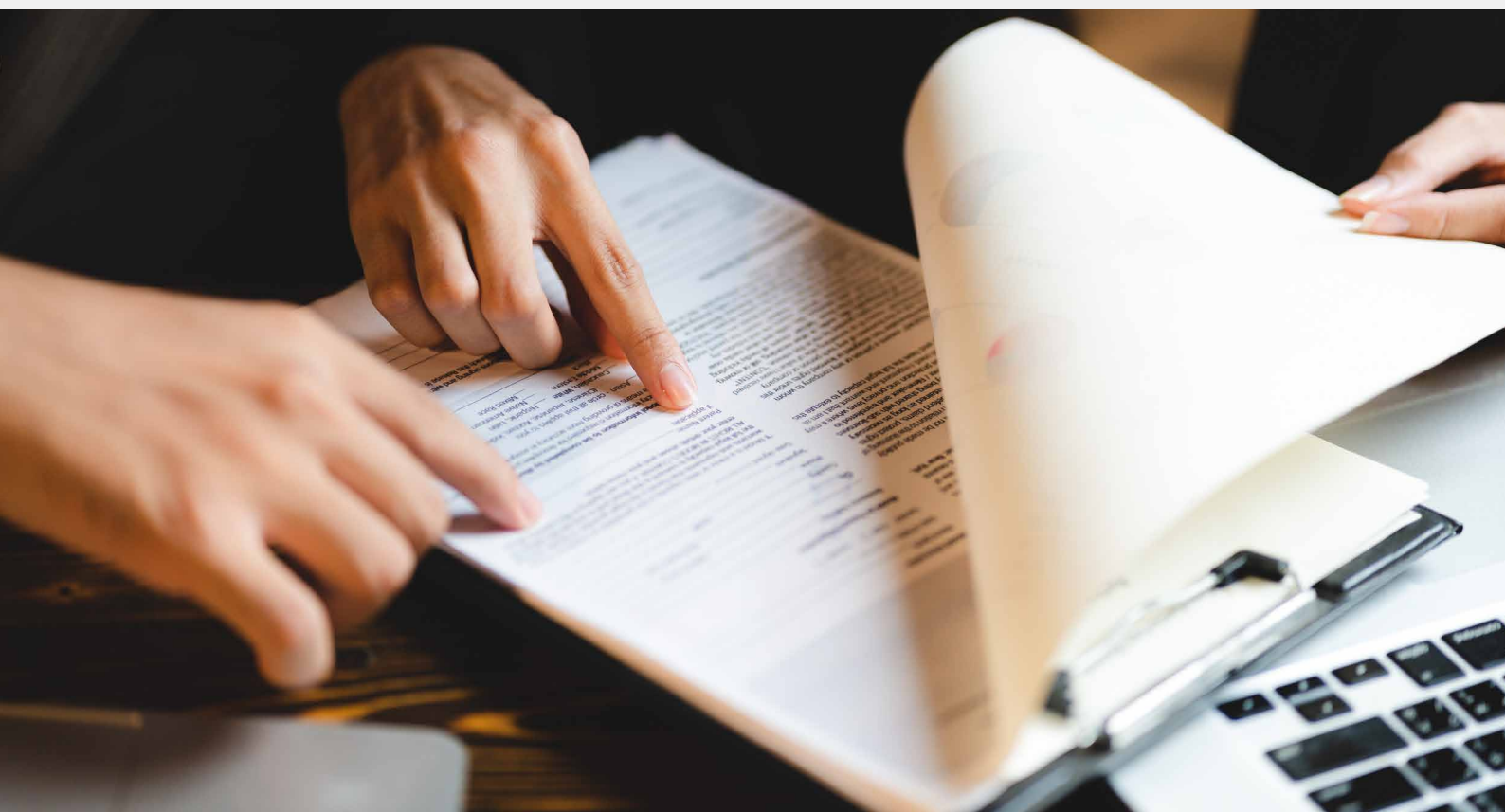
For several years, you have been working with Investment Navigator to validate sustainable fund profiles directly with asset managers. Can you describe the benefits from your perspective?

Credible market studies require transparency and solid data. That's why we place great emphasis on validated data in the IFZ Sustainable Investments Study, which examines the Swiss market for sustainable funds. Back in 2017, when the study was first launched, we were able to manually verify the data for all 315 sustainable funds directly with the providers. However, with the rapid growth in subsequent years, this was no longer feasible—we simply could not continue validating the increasing number of sustainable funds via emails and Excel files. That's why, in collaboration with Investment Navigator, we developed a fund validation platform in 2022. This platform allows sustainable fund providers to validate their fund data quickly and efficiently. By 2024, more than 80 asset managers had validated data for over 1,500 sustainable funds via the platform, including details on the sustainability approaches underlying each fund.

About the IFZ Sustainable Investments Study 2024:

The Institute of Financial Services Zug IFZ of the Lucerne University of Applied Sciences and Arts conducts a broad range of scientific research. Prof. Dr. Manfred Stüttgen and Dr. Brian Mattmann are the authors of the annual IFZ Sustainable Investments Study. The 2024 study confirms that sustainable funds facing headwinds for the first time in years, with investors no longer generally prefer sustainable funds to conventional funds when making new investments. At the same time, investors increasingly want to be compensated for bearing biodiversity risks.

Investment Navigator continues to support the valuable research work by the IFZ on the Swiss sustainable funds market. For a deep dive into the academic research insights and the possibility to download the full study, visit the dedicated webpage of the IFZ: <https://hub.hslu.ch/sustainable/>



Aladdin Wealth™ and Investment Navigator streamline cross-border compliance and product suitability capabilities

Aladdin Wealth™, BlackRock's wealth management platform, is integrating technology by Zurich-based fintech, Investment Navigator, to enhance its cross-border compliance and product suitability capabilities and enable financial advisors to make more informed portfolio recommendations for end investors. The integrated solution will streamline regulatory checks while strengthening efficiency and transparency for advisors when managing and distributing investments internationally in the Aladdin Wealth platform.

Launched in 2014, Investment Navigator's digital solutions embed regulatory and offering checks as well as selling restrictions into the investment management process, across proposals, proposal check out, and trading checks.

The integration into Aladdin Wealth expands the platform's capabilities to include product-level suitability, product tax suitability, mandatory documentation and cross-border checks directly into advisory proposals. This eliminates external, manual processes and improves portfolio personalization that is tailored to clients' needs across regions. Investment Navigator's key functions include helping advisors create validated buy-lists and seamlessly append important documents and reports to client proposals. These enhancements enable Aladdin Wealth clients to construct and service portfolios with even more speed and accuracy.

Venu Krishnamurthy, Global Head of Aladdin Wealth at BlackRock, commented: "Wealth management is going through a transformation with more financial advisors turning to technology to deliver tailored solutions at scale.

Through our collaboration with Investment Navigator, clients can now seamlessly manage the complexities of cross-border investing within Aladdin Wealth, further enhancing the unique "language of portfolios" that our platform offers across the entire investment lifecycle."

Alberto Rama, CEO of Investment Navigator, added, "We are thrilled to collaborate with BlackRock and integrate our technology into the Aladdin Wealth platform. Our wide range of checking capabilities, in particular in the fields of cross-border activities, product distribution and product documentation, will complement Aladdin Wealth's robust risk analytics and portfolio management tools, providing a comprehensive solution for investment professionals."

For Investment Navigator, the collaboration enables deeper integration of its services into the workflow of financial institutions, while opening opportunities for global client reach.

The expansion of Aladdin Wealth's capabilities underlines BlackRock's ambition to leverage technology to deliver whole portfolio solutions for clients. Through expanding the Aladdin Wealth platform, BlackRock is unifying the investment management process for a broader range of investors, delivering a more efficient and cost-effective operating model to help clients grow at scale.

For more information, please get in touch with your local BlackRock Aladdin or Investment Navigator representative.



SPECIAL

Possibility to offer a broader fund range to US citizens living abroad

In-Depth US Distribution Restriction Classification

Over 5 million US citizens are living abroad around the world. Especially in international hubs such as London, Singapore or Geneva, the American diaspora is an attractive clientele for banks. Mutual Funds and ETFs present promising investment opportunities also for these potential investors. However, all non-US investment instruments come with restrictions related to individuals with US connections, be it for clients domiciled in the US or clients that are US citizens domiciled outside the US. Conventional, rule-based approaches currently in use inhibit investments in non-US products, significantly constraining the investment universe.

In an effort to broaden this investment universe and unlock new possibilities for financial institutions and their US clients, we have introduced a new service featuring in-depth US distribution restriction classifications. At the core of this service is the expansion of our prospectus restriction data sourcing. Our fund prospectus analysts are now also identifying, differentiating, and classifying distribution restrictions specific to US person status (as defined in Regulation S) or US citizenship. This valuable information is sourced exclusively from the original legal product documentation.

In essence, a US Person is any natural person residing in the United States of America, while a US Citizen either holds citizenship in the United States or is a resident.

In a streamlined process, a rule-based match between the US Person/US Citizen restriction and the investors US status can be implemented as part of our automated distribution eligibility checks. This ensures clear eligibility outcomes across over 120,000 mutual funds and ETF share classes. The service is accessible through our existing API and web-based solutions, as well as via a data feed.

This new US distribution restriction classification service empowers financial institutions to offer a broader range of products to clients with US citizenship who reside outside the US, without compromising on compliance. For more information, please reach out to your dedicated Navigator.

The new UK Overseas Fund Regime

UK sales registrations are currently based on the Temporary Marketing Permissions Regime (TMPR) which ends on the 31st December 2026. However, the transition process to the new Overseas Fund Regime (OFR) has already started at the end of last year. The OFR permits investment funds domiciled outside of the UK to be promoted within the UK, including to retail clients, similarly to authorized UK established funds.

The OFR became operational for new funds on September 30, 2024. Funds in the TMPR must apply for recognition under the OFR by the end of 2026 to continue marketing in the UK. To manage the transition, the FCA has allocated scheduled landing slots, in alphabetical order, from Q4/24 until end of 2026.

Funds which fail to apply during their allocated landing slots will be removed from the TMPR and can no longer be marketed to UK retail investors. These providers can apply for recognition under OFR after the transition period has ended.

All fund providers which have currently schemes recognized under the TMPR have been informed by the FCA about their landing slot for the OFR application and the consequences of missing the landing slot. It is understood that the FCA intends to provide recognition under OFR on share class level and only to share classes which are intended for UK retail distribution. Hence, we expect a reduced number of fund share classes to be registered for retail distribution in the UK when the TMPR ends.

Investment Navigator is receiving the sales registrations from FE fundinfo, based on the declaration from the fund provider. FE fundinfo is in contact with the fund houses to ensure that any changes to the sales registrations are timely reflected.

- ✓ If sales registrations are revoked, and the registrations are part of the defined product distribution checks, an eligibility downgrade will take place automatically.
- ✓ We will provide our clients access to a report that tracks revoked sales registrations within their approved fund universe.

Sales Registrations

In the light of the new UK Overseas Fund Regime, for the purpose of eligibility assessments and automated offering management, we encourage fund houses to pay special attention to have the following data field correct and complete in their data delivery to FE fundinfo:

- ✓ Country legal registration (OFST6030XX)

Fund House Spotlight

Swisscanto

swisscanto

A brand of
Zürcher
Kantonalbank

REVIEWED
PARTNER

Sustainable Thematic Funds: Applications Across Multiple Areas

Climate change poses enormous challenges for the global economy. However, it also presents opportunities for investors, especially as private capital is urgently needed. Thematic investments offer a variety of approaches to address this.

Thematic funds are guided by long-term trends of significant importance. One of the most prominent today is decarbonization. To limit the global temperature rise to no more than 1.5 degrees Celsius, investments worth trillions are required—also from private investors.

This immense challenge simultaneously acts as a strong driving force. Companies can leverage this by aligning their products and services early and strategically. These players are likely to gain a strategic advantage and benefit from strong demand due to their contributions to solutions. At the same time, thematic investments should also fulfill their primary goal—to generate financially attractive returns and create added value for investors.

Against this backdrop, the sustainable thematic funds managed by the Zürcher Kantonalbank's Asset Management under the Swisscanto product brand focus on selected companies that contribute significantly to the United Nations Sustainable Development Goals (SDGs) through a substantial share of their revenues.

By **René Nicolodi**,
Head of Equities & Themes, Asset
Management, Zürcher Kantonalbank



As it turns out, addressing global warming is not limited to the climate investment theme. Rather, it is possible to engage in multiple themes, each of which can contribute to tackling climate change.

This is particularly evident in the "Water" investment theme, where water scarcity linked to global warming urgently demands solutions. Similarly apparent is the shift towards the "Circular Economy," which could lead to more resource-efficient practices and promises to help protect biodiversity and natural capital. On closer inspection, the importance of the digital economy for decarbonization also becomes clear: this theme includes technologies that can enable the transition to clean and renewable energy and thereby reduce greenhouse gas emissions. This is particularly the case with environmental solutions offered as a subsegment of the "Digital Economy" for investors.

These examples demonstrate that the fight against climate change is multifaceted—and therefore also a determining factor in many thematic investments.

Disclaimer:

This is a marketing communication and is not directed at individuals whose nationality or residence prohibits access to such information under applicable law. It does not constitute an offer or invitation to subscribe to or purchase securities, nor does it form the basis for any contract or obligation of any kind. Unless otherwise stated, the information relates to funds governed by Luxembourg law and managed by Swisscanto Asset Management International S.A. The sole binding basis for acquiring these funds is the respective published legal documents, which are available free of charge at <https://products.swisscanto.com>. Information on sustainability-related aspects in accordance with Regulation (EU) 2019/2088, as well as Swisscanto's strategy for promoting sustainability or pursuing sustainability goals in the fund investment process, is also available on the same website. The distribution of the fund may be suspended at any time. Investors will be informed in advance of any deregistration. Investments involve risks, particularly those of value and income fluctuations. Investments in foreign currencies are subject to exchange rate fluctuations. Past performance is not an indicator or guarantee of future success. The risks are described in the prospectus and the PRIIP KIDs. The prospectus and PRIIP KIDs should be read before making an investment decision. An overview of investor rights is available at <https://www.swisscanto.com/int/de/rechtliches/zusammenfassung-anlegerrechte.html>.

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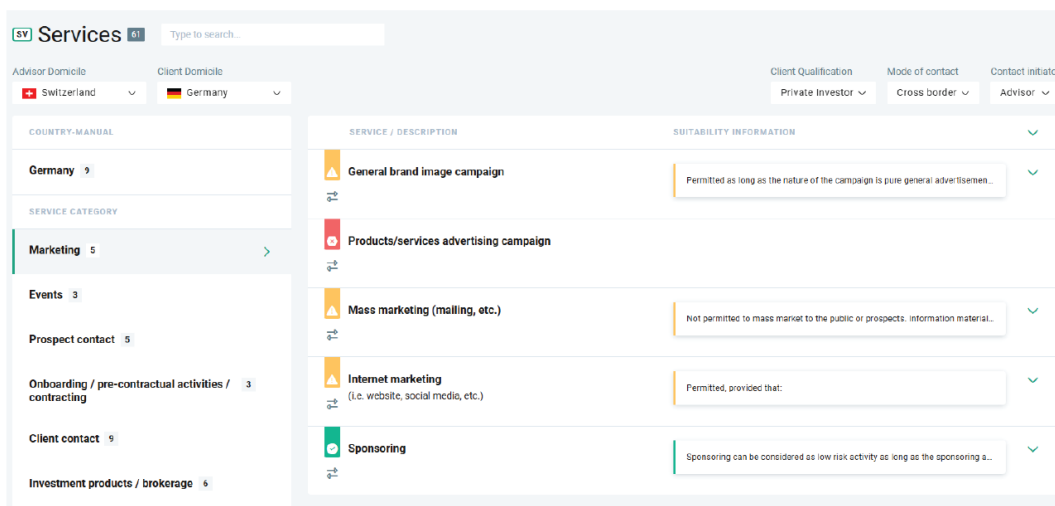
Release Notes

Improved Service Navigator User Interface

We have made several improvements to the Service Navigator UI to enhance the overall user experience.

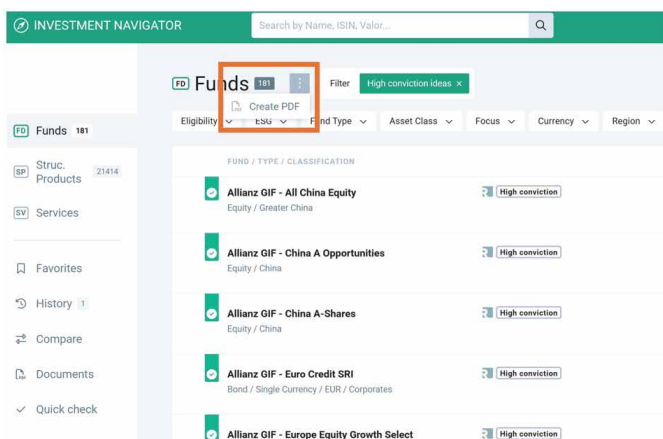
Key changes:

- ✓ Enhanced visual design for a cleaner, modern look.
- ✓ Optimized navigation flow to reduce clicks and improve efficiency.



Export Fund Search Results

You have now the possibility to export fund search results directly to PDF, making it easier to share and present data. Simply click on the three dots icon to create the PDF of the displayed fund search results.

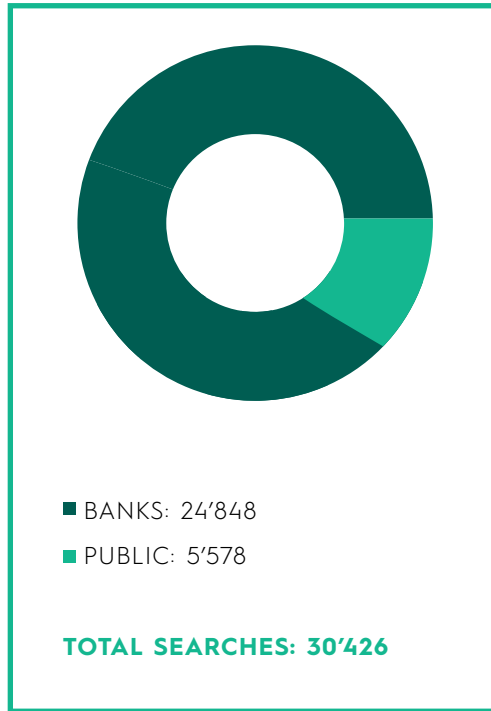


► This feature is now available on all our client platforms.

Overview

1 October 2024 - 31 December 2024

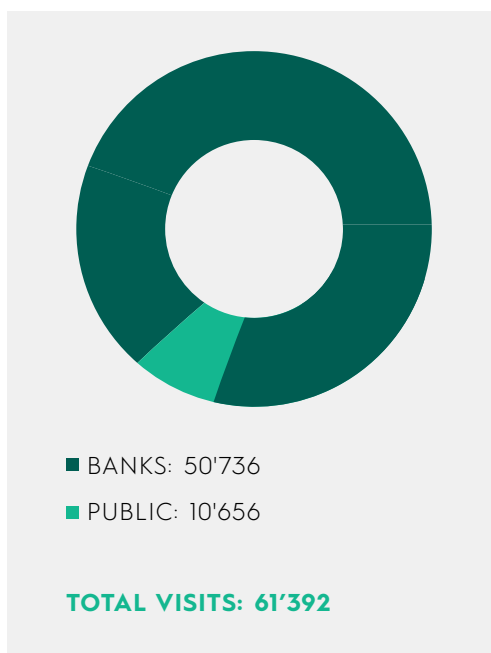
Search Trends



Top 20 Searches

411	PIMCO FUNDS: GIS PLC - INCOME FUND
157	JPM FUNDS - AMERICA EQUITY FUND
146	WELLINGTON MANG. FUNDS (LX) III SICAV
121	ALGEBRIS UCITS FUNDS PLC - ALG. FIN.
98	GOLDMAN SACHS F. SICAV - INDIA EQ. PT.
75	JPMORGAN INV. FUNDS - GL. SEL. EQ. FUND
74	AB SICAV I - LOW VOLATILITY EQUITY PT.
73	POLAR CAPITAL FUNDS PLC - GL. TECH.
71	STANDARD CHA. FUNDS VCC - SIG. SEL. GL.
70	NEW CAPITAL UCITS FUND PLC - US SM. C.
66	HSBC GL. INV. FUNDS - GL. SUS. L. T. EQ.
65	NEUBERGER BER. INV. FUNDS PLC - ST. IN.
65	CIF - CAPITAL GR. GL. CORP. B. FUND (LUX)
63	SIGNATURE CIO CONSERVATIVE FUND
58	KKR PRIVATE MAR. EQ. FUND. SICAV SA - K
56	LU2066403754
53	LU2004780537
53	iSHARES VII PLC - CORE S&P 500 UCITS ETF
52	IE00B5BMR087
52	ALLIANZ GIF - INCOME AND GROWTH

Overview Page Visits



Top 20 Viewed Funds Overall

PIMCO FUNDS: GIS PLC - INCOME FUND	1'762
WELLINGTON MANG. FUNDS (LX) III SICAV - WLLNGTN CR.	657
JPMORGAN FUNDS - AMERICA EQUITY FUND	595
ALGEBRIS UCITS FUNDS PLC - ALGEBRIS FINANCIAL CREDIT FUND	569
GOLDMAN SACHS F. SICAV - INDIA EQ. PT.	434
AB FCP I - AMERICAN INCOME PORTFOLIO	415
STANDARD CHARTERED FUNDS VCC - SIG. SEL. GL. EQ. CO.	380
BNP PARIBAS INSTICASH - USD ID LVNAV	342
AB SICAV I - LOW VOLATILITY EQUITY PORTFOLIO	327
JPMORGAN INV. FUNDS - GL. SEL. EQ. FUND	321
APOLLO DEBT SOLUTIONS iCAPITAL OFFSHORE ACC. FUND - SPC - 2	319
NEUBERGER BERMAN INV. FUNDS PLC - STRATEGIC INCOME	288
CIF - CAPITAL GR. MULTI - SECTOR INCOME FUND (LUX)	261
ALLIANZ GIF - INCOME AND GROWTH	260
NEW CAPITAL UCITS FUND PLC - NEW CAPITAL USD SHIELD FUND	258
INSTITUTIONAL CASH SERIES - US DOLLAR LIQUIDITY	257
BLACKSTONE PRIVATE CREDIT FUND iCAPITAL OFFSHORE F. SP - 1	240
SIGNATURE CIO CONSERVATIVE FUND	237
HSBC. GI. LIQ. FUNDS PLC - US DOLLAR LIQUIDITY FUND	237
KKR PRIVATE MARKETS EQUITY FUND SICAV SA - K - PRIME FEEDER - I	235

Q4-24 Search Trend Report

Year-on-Year: platform growth continues

▶ ALL SEARCHES	2023	2024	% age change
BOND	52'478	75'360	44%
EQUITY	72'150	118'118	64%
LIQUID ALTERNATIVES	4'047	5'419	34%
ALL FUNDS	163'115	248'352	52%

▶ TOP 20	2023	2024	% age change
BOND	23'179	30'729	33%
EQUITY	13'952	22'735	63%
LIQUID ALTERNATIVES	1'841	2'335	27%
ALL FUNDS	28'212	43'031	53%

▶ TOP 20 VS. ALL SEARCHES	2023	2024
BOND	44%	41%
EQUITY	19%	19%
LIQUID ALTERNATIVES	45%	43%
ALL FUNDS	17%	17%

Detailed Page View – Search Trend Analysis Commentary

- ✓ The Investment Navigator platform experienced an increase of over 50% in detailed page views in 2024 compared to 2023.
- ✓ Across Bonds, Equities, and Liquid Alternatives, 2024 saw an increase of 52% in detailed page views, from 163k to 248k views in total.
- ✓ This increase was driven by Equities (+64%), Bonds (+44%), and Liquid Alternatives (+34%).
- ✓ The top 20 detailed page views made up 17% of overall searches in both years.
- ✓ For Bonds and Liquid Alternatives the top 20 detailed page views made up around 40% while for Equities this figures stands at around 20%, indicating that equity searches may have been more diversified compared to the other two asset classes.

NAVIGATOR LIFE

On board with Karin

Business & Sales Support



In each issue of the Distribution Insights Report, one of our Navigators offers a glimpse into their daily life. This time, we meet **Karin**, who joined us in 2017, supporting the management and business teams. She effortlessly balances a diverse work portfolio with an active personal schedule.

HER DAY AT WORK

At work, Karin's day begins with sorting the mail and navigating through administrative tasks, like managing double taxation agreement confirmations, coordinating invoice processes, and reconciling incoming payments. Need office supplies or help organizing a team event? Karin is our go-to person! Her efficiency shines through even in managing expenses and charmingly chasing the teams' credit card receipts to make sure we are on top of our admin things.

OUT OF OFFICE

When Karin steps out of the office, she's just as active. A dedicated family manager, she juggles life with her husband, two kids, and two cats. On the weekends, you'll often find her skiing down the slopes during the cold months or cycling one to two times a week in summer. As polysportive as she is, add jogging and gym sessions to the mix, and you've got an outdoor enthusiast through and through.

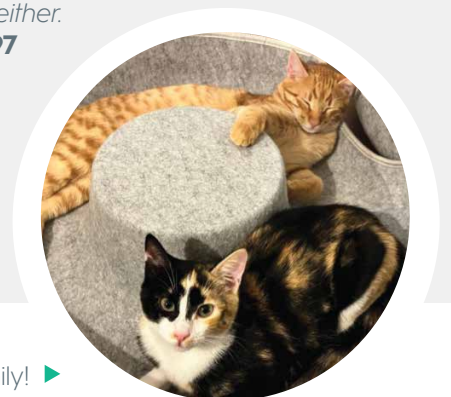
Karin's drive extends to her community, where she is volunteering in different roles. She's a member of the parents' council in her kids school, handles the administration for her daughter's soccer club, and conducts the financial audits for the local women's association.

INSPIRATIONAL QUOTE

Whatever you do, don't congratulate yourself too much or berate yourself either. Your choices are half chance, so are everybody else's. **Baz Luhrmann, 1997**

CONNECT

Karin on [LinkedIn](#)



The latest addition to Karin's family! ►

