

Maren Stämpfli

Your Personal Investment Report 2024



BILANZ
**LONG-TIME
QUALITY LEADER**
Globalance Bank AG
**Private-Banking-Rating
2024**

Your Investments in 2024

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Dear
Ms. Stämpfli

2024 was a year of remarkable contrasts. Markets reached new highs, driven by technology breakthroughs in artificial intelligence and the interest-rate reversal by central banks. At the same time, the economic and political tone was set by geopolitical tensions and the US presidential election.

The transformation of our economy has continued to gather speed. AI applications are not only revolutionizing the way we work or treat diseases – they are also creating totally new business models. The energy transition is accelerating – driven by technological advances in battery storage technology and renewable energy, as well as greater investment in the required infrastructure.

Our investment strategy reflects these changes. With a clear focus on forward-looking business models, quality companies and broad diversification, our portfolios are well placed for the years ahead. In your Personal Investment Report 2024, we show how we use these findings in your Globalance portfolio.



Reto Ringger
Founder and CEO

A Year of Opportunities

2024 brought exceptional opportunities for investors and simultaneously saw important groundwork being laid within the global economy.

Economic growth remains resilient: rising real wages and strong consumption delivered a surprisingly positive boost in the US, while the euro area had to contend with weak growth. Falling inflation rates enabled a gradual easing of monetary policy in Switzerland, Europe and the US. These developments buoyed capital markets around the globe.

Our portfolios benefited from a clear focus on globally diversified equities. The US in particular was the driver: big companies delivered strong earnings growth thanks to investment in artificial intelligence. Digitalization and automation proved to be the cornerstone of forward-looking portfolios.

Adaptability remains the key to long-term success.

On the fixed-income front, we upped our exposure to green bonds. These investments encourage climate-friendly projects and provide long-term prospects in a changing world.

Two Lessons from 2024

1. Rate-cutting cycles and election years stimulate capital markets.
2. Digitalization, decarbonization and demographic change are not just megatrends – they remain crucial drivers of long-term investment.

Please turn to the following pages for more information about these developments and our expectations.

We hope this gives you valuable insight.



Béatrice Hirzel Corte
Your Personal Relationship Manager

Your Assets in a Nutshell

Assets, profit and return – at a glance

<p>Your Assets 2024 on 1 January</p> <p>CHF 3,532,050</p>	<p>Your Cash Flows in 2024</p> <p>CHF 0</p>			
<p>Your Assets 2024 on 31 December</p> <p>CHF 3,737,674</p>	<p>Your 2024 Net Return</p> <p>5,8%</p>			
<p>Your Portfolio by Investment Categories</p> <table border="1"> <tr> <td> <ul style="list-style-type: none"> Equities CHF 1'868'837.– Low-correlated assets CHF 747'535.– </td> <td> <ul style="list-style-type: none"> Real assets CHF 560'651.– Bonds CHF 523'274.– </td> <td> <ul style="list-style-type: none"> Other assets CHF 37'377.– </td> </tr> </table>	<ul style="list-style-type: none"> Equities CHF 1'868'837.– Low-correlated assets CHF 747'535.– 	<ul style="list-style-type: none"> Real assets CHF 560'651.– Bonds CHF 523'274.– 	<ul style="list-style-type: none"> Other assets CHF 37'377.– 	<p>Your Investment Strategy</p> <p>Balanced</p> <p>Your portfolio is tailored to your personal situation: you have a medium to long-term investment horizon, you want to increase your capital, but not at any price. Extreme price fluctuations should be avoided as far as possible. We have taken all these requirements into account for you in your portfolio.</p>
<ul style="list-style-type: none"> Equities CHF 1'868'837.– Low-correlated assets CHF 747'535.– 	<ul style="list-style-type: none"> Real assets CHF 560'651.– Bonds CHF 523'274.– 	<ul style="list-style-type: none"> Other assets CHF 37'377.– 		

Your Globance Scores

<p>CLIMATE 1,6°C</p> <p>2,8°C</p>	<p>FOOTPRINT 71</p> <p>59</p>	<p>MEGATRENDS 89%</p> <p>62%</p>
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Paris Climate Agreement: 2,0°C

World Benchmark Index

Maren Stämpfli is a fictional client of Globance Bank. The above data is for visualization purposes only.

A year of extraordinary investment opportunities

The Globalance investment strategy of 2024 delivered: our portfolios and strategies have developed gratifyingly.

Investors benefited from positive developments in 2024. Inflation receded, enabling central banks to loosen interest rate policy in Switzerland, Europe and the US. The Swiss National Bank (SNB) cut interest rates as early as the spring, above all with a view to counteracting the appreciation of the Swiss franc. The European Central Bank (ECB) followed suit in the summer in order to boost the feeble growth of the Eurozone economy. In the US, strong consumer spending and higher real wages in the first half of the year made for a surprisingly stable economic situation. As a result, the US central bank (Fed) had to wait until the autumn to cut the Federal Funds Rate. Key interest rates currently stand at 0,5% in Switzerland, 3% in Europe, and 4,5% in the US. Falling interest rates and the stabilization of inflation ensured a favourable investment environment.

Gold and equities perform strongly

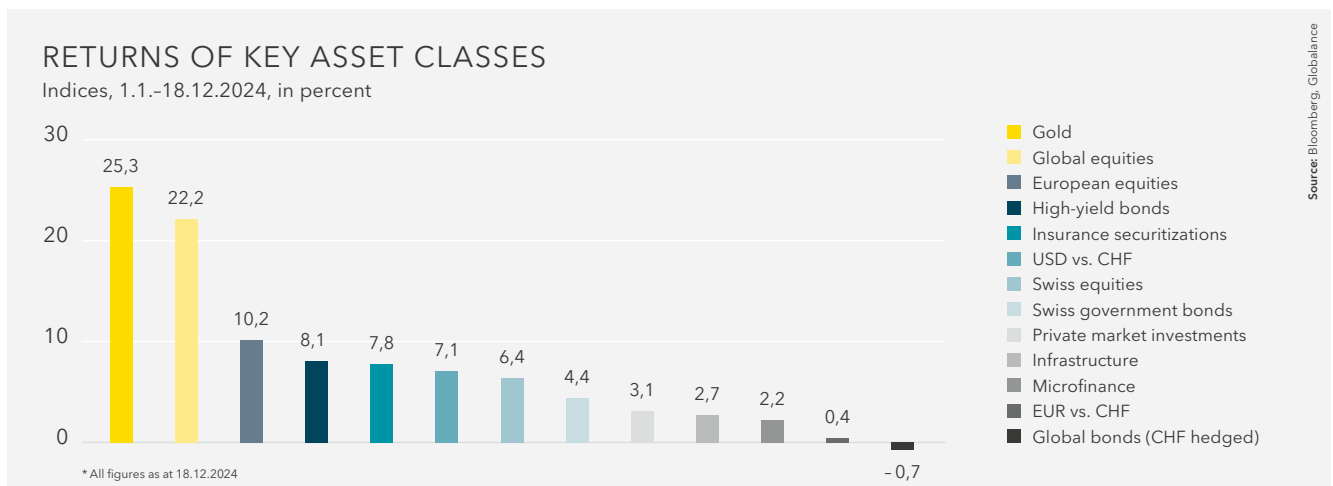
The decline in inflation and the start of a new rate-cutting cycle by central banks gave a powerful boost to both equities and gold. This development also presented new opportunities in the world of bonds, where we expanded our positions in a targeted way in expectation of declining interest rates. At the same time, we scaled back our positions in the areas of real estate and microfinance.

Our portfolios benefited from a strategic weighting in globally diversified equities, with the focus on the

US in particular. Trump's clear victory in the US presidential election in November gave US markets an additional boost. Broad diversification enabled us to exploit growth opportunities in various markets and make the portfolios resilient in the face of economic fluctuations.

High returns in various asset classes

The graph below shows the returns of various asset classes in 2024. Gold performed handsomely with a strong rise of 25,3%, confirming its role as a safe haven. Global equities also gained significant ground, driven by unexpectedly strong growth in the US, above all in the first half of the year. Large US companies in particular delivered strong earnings growth, supported by substantial investment in the area of artificial intelligence (AI). The potential of AI is becoming apparent in an increasing number of sectors, underscoring the significance of future themes in the portfolio. High-yield bonds, i.e. bonds that come with additional risk but offer higher rates of interest, also performed strongly, as did low correlation investments such as insurance linked securities.



Our main portfolio adjustments in 2024

MARCH

Increase in fixed-income investments:

We are increasing the equity quota significantly to exploit the higher interest rate environment, above all through investments in global corporate bonds. At the same time, we scale back positions in insurance securitizations and real estate investments.

JUNE

AI beneficiaries in focus:

As part of the regular review of core equities, we focus more strongly on the beneficiaries of AI in various sectors. In view of the strong rally in the first half of the year, we have decided not to increase the equity quota.

SEPTEMBER

Higher footprint score:

High-yield bonds belong to the year's winners. In expectation of an economic slowdown, we are increasing our exposure to global green bonds. We are taking profits in high-yield bonds in order to ensure a more defensive positioning and improve the portfolio footprint.

AUGUST

New future movers in the portfolio:

As part of our ongoing portfolio analysis we are incorporating new companies from the areas of automation and digitalization, climate and energy.

NOVEMBER

Portfolio adjustment: Following the US presidential election, we are scaling back our exposure to any emerging market equities that might be affected by fresh US tariffs, while at the same time increasing exposure to global equities, particularly those of the US. The equity quota remains unchanged.

Your return highlights

The five portfolio assets with the best absolute return at the end of 2024.

- 1 NVIDIA**
NVIDIA develops graphics processing units, chipsets and software for gaming, cloud computing, automotive and the metaverse.
- 2 Trane Technologies**
Trane Technologies contributes to the energy transition through advanced heating and cooling technology for buildings and transportation.
- 3 Alphabet**
Alphabet is an innovative company at the forefront of the digital and automation megatrends, revolutionising access to knowledge and education.
- 4 Jones Lang Lasalle**
Digital property services provider. Provides meaningful data and strategies to the real estate market.
- 5 ABB**
Enabling the industrial revolution in energy, mobility and robotics. Helps customers reduce their emissions.

Return in local currency including dividend.

WHAT WE CAN LEARN FROM 2024

- + Regional growth differences:** Whereas the US economy grew thanks to consumer spending and higher real wages, the Eurozone stagnated, and China also failed to deliver positive stimuli. Our globally diversified strategy paid off, even if we did start the year with a rather defensive equity positioning.
- + Modest decline in inflation and cuts to interest rates:** The rate of inflation fell more slowly than expected, delaying cuts to interest rates. Bond yields continued to lag expectations, while investments with a low correlation with other asset classes - such as insurance securitizations and premium strategies - performed impressively.
- + Technological disruption through AI:** The potential of artificial intelligence is becoming evident in many sectors, underscoring the importance of this and other future-oriented themes in the portfolio.
- + Agility is crucial:** In a dynamic interest rate environment, a flexible and global fixed-income strategy proved indispensable. Global high-yield and emerging market bonds delivered better results than government bonds.
- + Safe haven and real assets:** Gold confirmed its role as an outstanding investment in an era of uncertainty, delivering strong returns.



Susanne Kundert

Head of Investments,
Member of the Executive Board

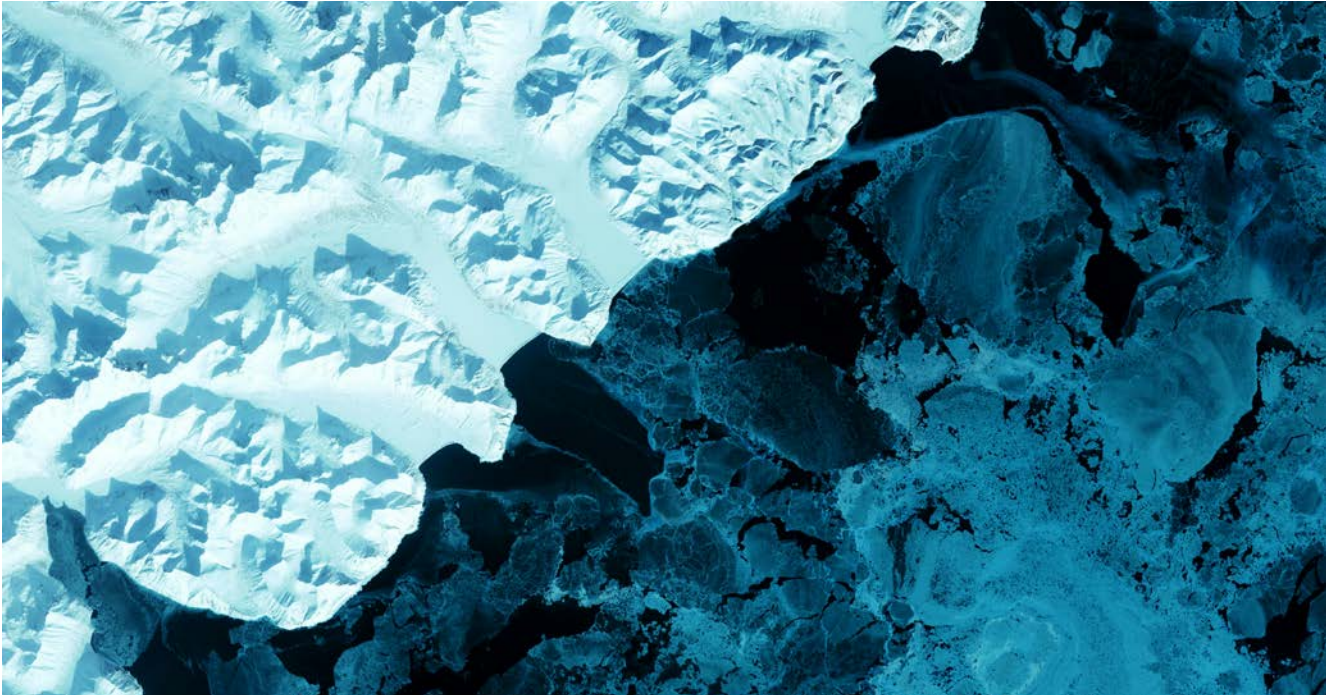


Photo: USGS, Unsplash

Global Warming Potential of Your Portfolio

An Ambitious Goal: the World Is Working to Decarbonize

Tripling of solar: to ramp up the global decarbonization process, 200 countries have agreed to triple installed renewables capacity by 2030. Biggest boom is in solar: installations have grown by 74 percent in just a year.

Funding gap: investment in clean energy has exceeded investment in fossil fuels for the first time (by 2 to 1). However, annual investment needs to be increased to USD 4-5 trillion by 2030 if the climate targets are to be met. In addition, access to investment must be improved for developing countries in particular.

Investing in the future: Globalance is focused on companies with clear targets for cutting emissions. These companies enter fewer regulatory risks, remain more competitive and benefit from funding incentives.

How Does Globalance Determine Global Warming Potential?

The Implied Temperature Rise indicates how the current activities of the individual companies in your portfolio align in relation to global warming targets. The lower the figure, the better.

Global decarbonization is accelerating.

Continuous Improvement in Data and Methodology

Globalance has adopted the new, improved methodology for assessing companies' climate impact. These methods enable greater precision through sector analysis and credibility assessment of company targets.

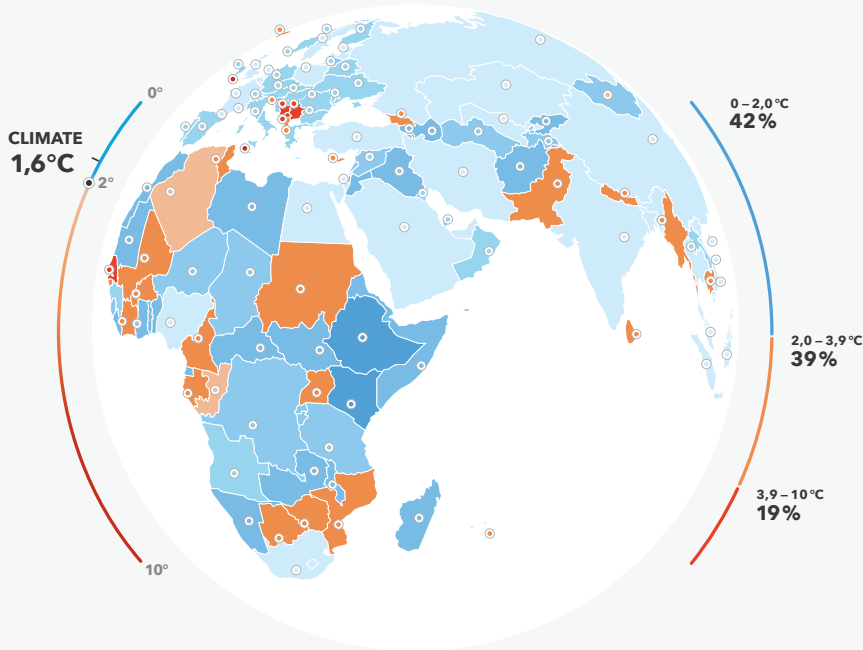
For conventional market indices (e.g. SMI), these tighter parameters result in a global temperature rise of up to +0,6°C.

For Globalance portfolios, on the other hand, the impacts are very small.

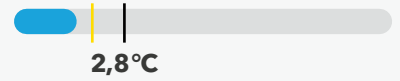
It remains the case that not all Swiss banks publish the climate temperatures of their portfolios. In 2024, Globalance was still the only bank providing full, transparent information on all assets under management (based on the Swiss Climate Scores standard).

Your Portfolio

Globalance invests in instruments with the lowest possible degree of global warming potential and puts a special emphasis on the Implied Temperature Rise (ITR) at portfolio level. A lower climate figure means less risk for the company and its investors.



YOUR CLIMATE CONTRIBUTION
1,6°C



Paris Climate Agreement: 2,0°C

MSCI World Benchmark Index

Your Climate Contribution in Comparison

International share indices in comparison (in °C)

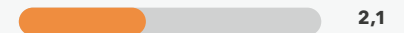
SPI

SWITZERLAND



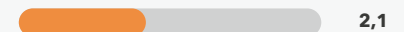
NASDAQ 100

US



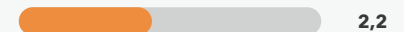
STOXX EUROPE 600

EUROPE



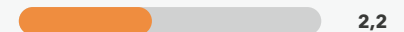
DAX

GERMANY



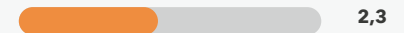
FTSE 100

GREAT BRITAIN



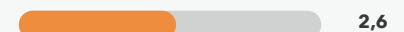
NIKKEI 225

JAPAN



S&P 500

US



HANG SENG INDEX

HONGKONG



SHANGHAI COMPOSITE

CHINA



Your Climate Scores

The five investments in your portfolio with the best climate scores.

1	Swiss Re AG SWITZERLAND	1,3°C
2	AstraZeneca UNITED KINGDOM	1,3°C
3	Wolters Kluwer N.V. NETHERLANDS	1,3°C
4	Trane Technologies US	1,3°C
5	Prysmian SpA ITALY	1,4°C

Your Portfolio Footprint



Photo: Claudio Carrozzo, Unsplash

What Is the Globalance Footprint?

The Globalance Footprint is our comprehensive sustainability assessment and shows the impact of your investments globally – for the economy, society and the environment. Our scoring system is simple and objective.

BUSINESS

Basis of prosperity and lasting competitiveness

SOCIETY

Drivers of prosperity, health and equality of opportunity

ENVIRONMENT

Prerequisites for conserving our natural resources and the basis of human existence

The diagram on the right shows the portfolio assessment based on the nine footprint criteria. These represent the basis of prosperity, the future sustainability of the company and the conservation of our vital natural resources.

Improvements in 2024

We would highlight the following in particular:

- the increase in green bonds, used for the direct financing of climate-friendly projects;
- newly recycled gold, which has a significantly better footprint.

High Food Prices a Worldwide Challenge

Climate change and crisis-induced price risks are additionally endangering the supply of food for many people worldwide. Intensive land use and deforestation are exacerbating the loss of biodiversity.

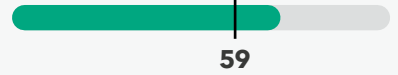
Forward-looking investment means focusing on profit-enhancing technologies for existing agricultural land in order to conserve forests. In addition, greater capital is needed for plant-based proteins in order to reduce the footprint of meat production. Globalance selects companies with a positive footprint in these areas.

Your Portfolio

The Globalance Footprint score from 0 to 100 shows the impact of your investments around the globe – individually and at a glance.



YOUR FOOTPRINT
71



MSCI World Benchmark Index

Your Footprint in Comparison

International share indices in comparison

NASDAQ 100
US



DAX
GERMANY



S&P 500
US



NIKKEI 225
JAPAN



STOXX EUROPE 600
EUROPE



SPI
SWITZERLAND



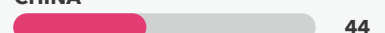
HANG SENG INDEX
HONGKONG



FTSE 100
GREAT BRITAIN



SHANGHAI COMPOSITE
CHINA



Your Footprint Scores

The five investments in your portfolio with the best Footprint scores.

1	Schneider Electric SE FRANCE	89
2	SwissRe AG SWITZERLAND	84
3	Straumann Holding AG SWITZERLAND	80
4	Telenor ASA NORWAY	80
5	Trane Technologies US	79

Global Megatrends in Your Portfolio

Investing in Megatrends Pays Off

Investing in megatrends is an increasingly popular strategy for investors. Megatrends are large-scale, global developments that can fundamentally alter markets, sectors and daily life. They range from technologies such as artificial intelligence through the transition to renewable energy sources to health and longevity: megatrends provide an opportunity to profit from the growth and upheavals in various sectors. With a compound annual growth rate (CAGR) of 15 to 20%, megatrends offer attractive potential returns and a solid diversification for your portfolio.

Why Are Megatrends Important for a Forward-looking Portfolio?

- Long-term growth potential: megatrends bear fruit over decades and enable long-term growth. Companies that adapt early gain a competitive advantage.

- Risk minimization: future themes offer broader diversification and reduce risks associated with short-term or cyclical sectors.
- Social relevance: sustainability and technology are gaining political support, which is boosting their long-term development.

Megatrends such as **digitalization** (including artificial intelligence), **health** as well as **climate and energy** (including technologies for the efficient use of energy) enjoyed strong growth in 2024.

In the following section we take a closer look at the second of these three megatrends - themes that are also gaining in importance among young people.



A Long and Happy Life?

We are living longer and longer lives. The proportion of people aged 60 or over is set to increase considerably by 2050 - and so too will the interest in health and vitality. Physical and mental fitness are becoming increasingly important, and are supported by medical advances.

GLP-1 drugs such as Novo Nordisk's Semaglutide, which were originally developed for the treatment of diabetes, are just one example. Nowadays the active

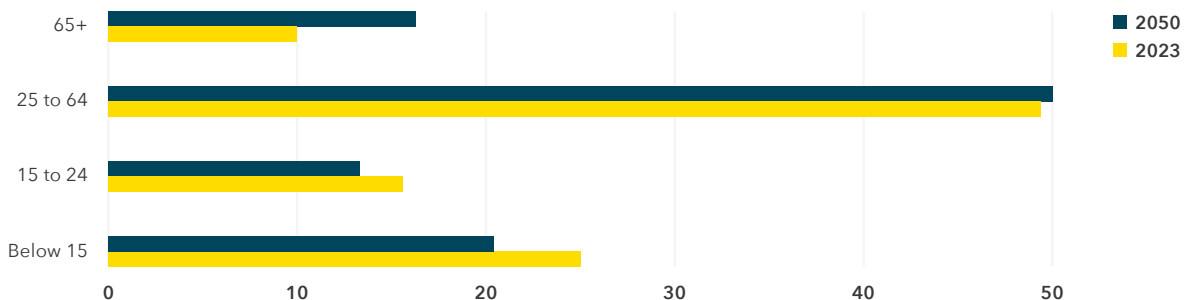
ingredient is also used for weight-loss injections. Studies also show its potential in cardiovascular and kidney disease - and potentially Alzheimer's and addiction-related illnesses too.

Falling costs and patent expiries in Brazil, China and India from 2026 will further boost the potential for these drugs. They could positively impact the lives of over a billion people - with far-reaching consequences for industry, the economy and society.

AGEING OF THE GLOBAL POPULATION

in percent

Source: United Nations, World Population Prospects 2024

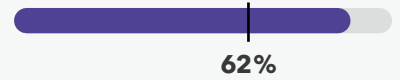




Your Share in Global Megatrends



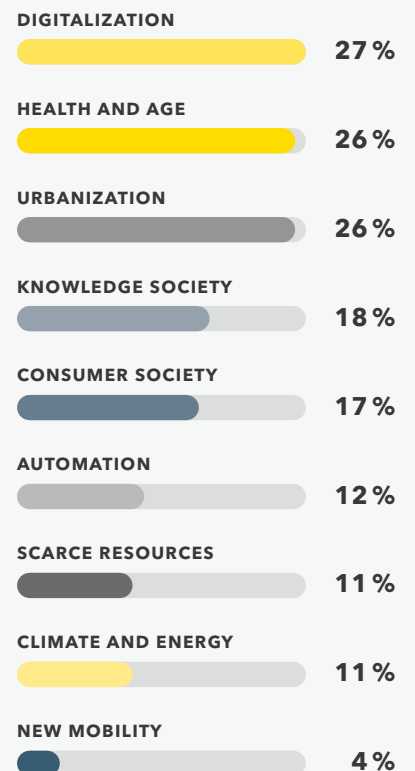
MEGATRENDS
89%



| World Benchmark Index

The Megatrends in Your Portfolio

Globalance deems the following nine megatrends pivotal based on the latest scientific findings and our analysis. A proprietary methodology is used to measure the proportion of sales generated by the companies in connection with these megatrends. The higher, the better Your portfolio is invested in these megatrend themes on a diversified basis.



Your Megatrend Scores

The five investments in your portfolio with a big megatrend element.

NVIDIA
US
DIGITISATION

Palo Alto Networks
US
DIGITISATION

Genmab
DENMARK
HEALTH AND AGE

Itron
US
CLIMATE AND ENERGY

Ormat Technologies
US
CLIMATE AND ENERGY

Growth outlook in flux

The new investment year of 2025 opens up new opportunities and challenges for investors. While slightly declining rates of inflation and moderate growth provide stability to markets, high equity valuations and geopolitical risks call for a prudent approach. A neutral positioning in higher-risk investments continues to look justified.

In the US, we are expecting solid growth, supported by Trump’s economic policy, strong consumer demand, more expansionary fiscal policy, and low interest rates. Momentum can be expected to weaken slightly over the course of the year. In Asia and Europe, higher tariffs could create headwinds.

However, although Europe is likely to experience subdued growth in 2025 it should nonetheless grow more strongly than in 2024, supported by rising defence expenditure and investments in connection with the switching of supply chains from Asia back to Europe («nearshoring»). Global trade conflicts remain a risk, particularly for export-oriented economies. In China, reactive economic measures could help to alleviate the repercussions of tariff increases.

Central banks in rate-cutting mode

Although tariffs could temporarily lead to a spike in inflation, we are expecting the US central bank (Fed) to adhere to its rate-cutting path. That said, factors such as restrictions on immigration, trade tariffs, and more expansionary fiscal policy could limit the leeway for further interest rate cuts.

Growth-oriented investments

We continue to view equities in a positive light. High current valuations are justified by structural growth potential. In the US, deregulation and lower taxes also make mid-cap stocks attractive, as these companies should benefit to a disproportionate degree. Earnings growth will increasingly ripple out to areas outside of the technology sector, particularly companies in future-oriented fields such as urbanization, automation and health.

Positioning for lower interest rates

Our strategy is geared around lower interest rates, particularly through our positioning in European green bonds (government and corporate) with a term of 5 to 8 years. Both the interest yield and the scope for

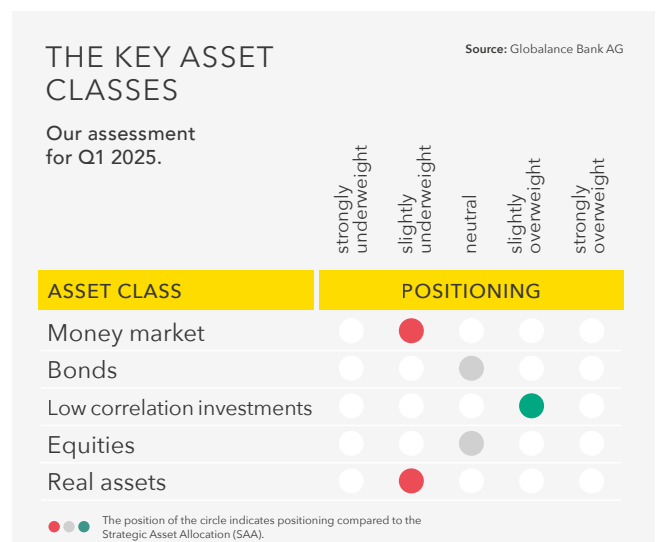
interest rate cuts on the part of the European Central Bank remain attractive aspects. By contrast, we are wary of US government bonds due to rising government indebtedness. Emerging market bonds with medium terms and currency hedging offer good diversification opportunities.

Our current scenario

Our positioning for the first quarter of 2025 is geared around a slight decline in economic momentum against a backdrop of stable inflation (see illustration right). If central banks are successful in combating inflation while at the same time supporting growth, we could see an environment of moderate inflation in the second half of 2025.

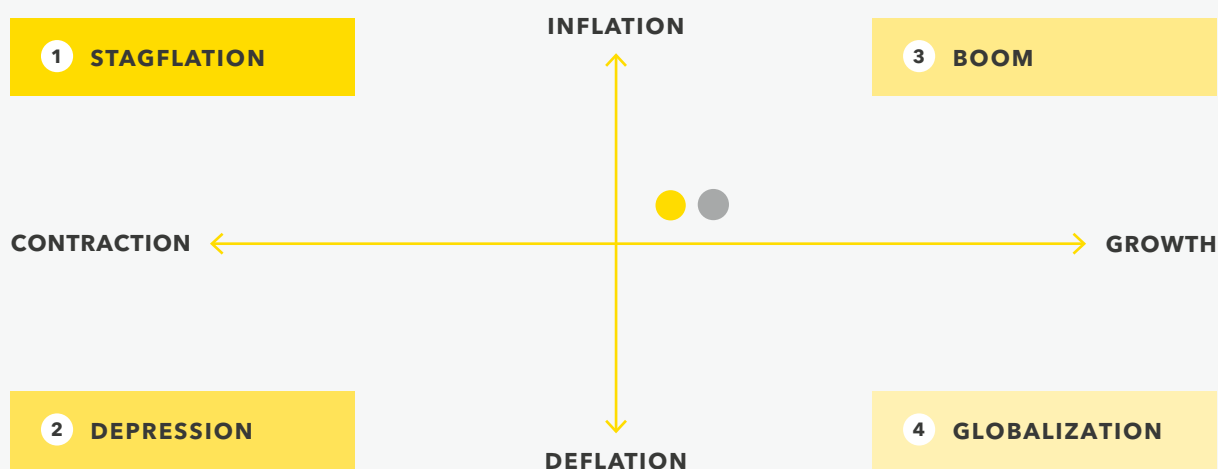
Summary for investment strategy

For 2025 we are expecting a continuation of the positive economic environment. Growth prospects and the interest rate outlook will differ from region to region and from economy to economy. Active management and broad diversification across regions and sectors therefore remains essential.



FOUR SCENARIOS FOR THE GLOBAL ECONOMY

Our positioning Q1 2025 (vs. current market data)



● Our current positioning Q1 2025
● Current market data

Source: Globalance Bank

SCENARIO	DESCRIPTION	SIGNIFICANCE FOR INVESTMENT STRATEGY
1 STAGFLATION	Describes an environment in which the global economy stagnates in the realm between zero growth and -1%, with persistently high inflation.	Nominal assets such as cash and bonds should be avoided. Equity quota geared around quality. Overweighting of real assets such as infrastructure and gold (protection against inflation). High weightings assigned to low correlation assets.
2 DEPRESSION	Describes a significant economic downturn over a prolonged timeframe. High unemployment, a crisis of confidence on the part of consumers, and comprehensive cost-cutting measures on the part of companies trigger a negative price spiral.	Nominal assets such as cash and bonds should be heavily overweighted. Equity quota underweight, focus on defensive sectors. Gold overweighted as a crisis currency. Low correlation assets as basic component.
3 BOOM	Positive growth trajectory with inflation declining but still high in a historical context.	Nominal assets such as cash and bonds to be generally avoided. Equity quota overweight, focus on stocks with high price-setting power (able to pass on inflation) and global growth themes (real profits). Productive real assets such as infrastructure should be overweight. Assets with low correlation as a base foundation.
4 GLOBALIZATION	Key characteristics are full employment, production at capacity levels, strong demand, and falling prices for consumers due to global division of labour and technological advances.	Underweight nominal assets, emphasis on equities, focus on global megatrend themes. Low correlation assets as basic component.

Our measures for 2025



Broadly diversified portfolios

Geopolitical uncertainties as a result of the “America First” policy and the risk of a trade war make broadly diversified strategies indispensable. The future development of inflation will have a decisive impact on the competition between equities and bonds. We have adopted a neutral positioning in both asset classes and will react flexibly to global changes.



Securing attractive interest yields

We prefer global bonds that offer attractive yields and have the potential to benefit from expected interest rate cuts. Our dynamic and broadly diversified allocation, which extends to emerging market and green bonds, is paying off. We remain wary of US government bonds due to rising indebtedness risk.



Broad diversification across a variety of asset classes

Diversification across a variety of asset classes remains a key component of our investment strategy. Assets that have a low correlation with traditional asset classes such as insurance securitizations and premium strategies proved their worth in 2024 and will remain important elements in our portfolios in 2025 too. Gold continues to serve as a hedge against geopolitical uncertainties. Real assets such as green infrastructure and private market investments are benefiting from lower interest rates while additionally strengthening diversification.



Invest in scalable innovation

Advances in artificial intelligence are opening up opportunities in an ever-greater number of sectors. From automated production processes through to the transformation of healthcare: AI has enormous potential, particularly when it comes to resource efficiency and energy optimization. We are investing in the beneficiaries of this technological upheaval.



Maintaining a long-term outlook

The financial markets look beyond short-term political developments and align themselves with long-term trends. Many companies are already being rewarded today - in the form of rising stock prices - for their future sales and earnings potential. Investors should therefore invest in a forward-looking way and focus on the technologies and business models that offer the greatest growth potential.



Greater weighting of future-oriented themes

Fundamental changes such as demographic change, decarbonization, the transformation of the working world, and digitalization are key themes of our era. These paradigm shifts are having far-reaching repercussions for the economy, and taking these themes into consideration is becoming increasingly important to investment success. At Globalance we focus on these future-oriented themes when selecting equities. For example, our portfolios are invested in themes such as energy transition, innovative mobility solutions, digitalization, urbanization, resource efficiency, and the knowledge society.

Trane Technologies

Sustainable technology for global challenges: saving energy with heating and cooling.



With over 5400 patents and prize-winning technologies, Trane Technologies is accelerating the energy transition in energy-intensive sectors.

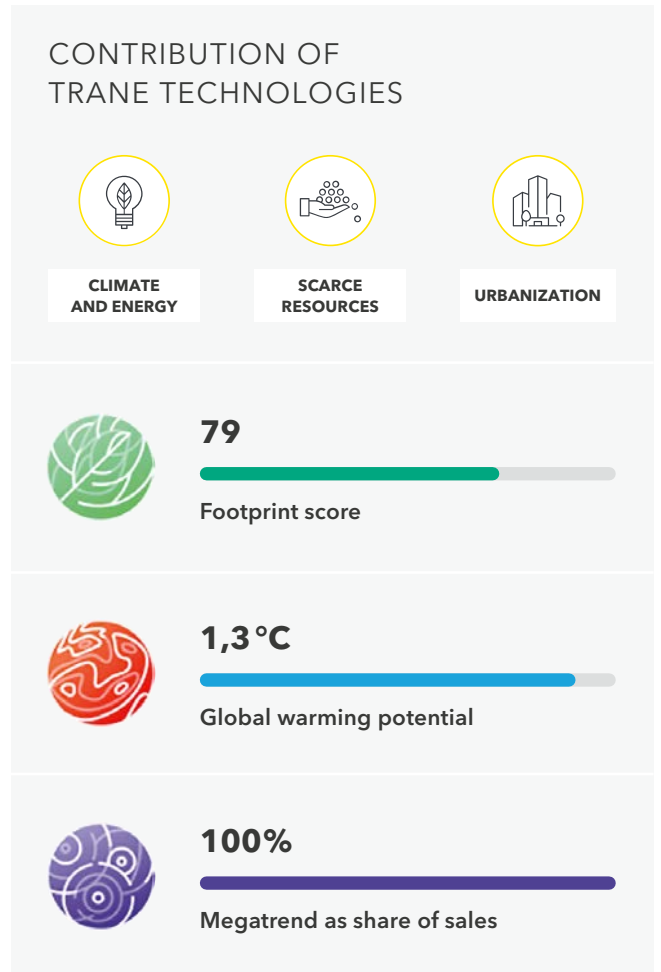
Trane Technologies is at the interface between the megatrends of climate and energy, urbanization and scarce resources. Through innovative heating, ventilation and cooling technologies for buildings and transportation, the company plays an active role in the energy transition. Trane is boosting energy efficiency and reducing CO₂ emissions through advanced technologies such as thermal energy storage and AI-supported building automation.

With environment-friendly refrigerants and advanced electrification options, Trane Technologies supports the global sustainability targets in energy-intensive sectors such as computer centres and industrial plants. The company is active throughout the world.

Innovation for Energy-intensive Sectors

This innovative edge is underpinned by over 5,400 patents worldwide (2023 data) - including a system for heat recovery in refrigeration equipment that uses surplus heat in the cooling process and reduces the need for heating energy. Other patents improve the management of computer centres, thus optimizing energy consumption and operating times.

With its innovative heat pump technology, Trane Technologies in 2024 completed the Residential Cold Climate Heat Pump (CCHP) Challenge run by the US Department of Energy (DOE). Developed for extremely



cold climate zones, the prototype enables energy savings of 15 to 20% and reduces the need for additional electric heating to just 10% of operating hours.

Strong Growth and High Return

With an innovative product portfolio and high market share, Trane Technologies is an attractive stock. The company generates a net profit margin of over 10% and a return on equity of around 30%. Average sales growth of 5 to 10% - driven by global climate protection measures as well as US and EU regulations - underpins the company valuation, despite an already strong share price performance in 2024.

Unpredictable and predictable: Trump's return to the White House

What will Donald Trump's second presidency mean for Switzerland? Martin Dahinden, former Swiss Ambassador to the US, analyses risks, opportunities and the state of US democracy.

Martin Dahinden, the decisive re-election of Donald Trump came as a surprise to many. What does this electoral outcome mean for the stability of American democracy?

This clear electoral outcome in a polarized society is striking. It has removed the risks of recounts and judicial procedures and has therefore contributed to political stability.

American institutions have proved extraordinarily robust since they were founded in 1789 and have already withstood a number of major challenges. Even recent events such as the unrest at the Capitol in January 2021 showed that US institutions function under extreme pressure. There is little reason for concern here, even if abuses of power cannot be ruled out.

MARTIN DAHINDEN



Martin Dahinden served as Switzerland's ambassador to Washington under the presidencies of Barack Obama and Donald Trump and previously headed up the Swiss Agency for Development and Cooperation (SDC). He currently lectures in political science at the University of Zurich. He has written a number of books, including one on the secrets of Swiss cooking.

8/10

The US is home to eight of the world's ten most valuable companies.

How do you evaluate the economic situation of the US under Trump?

The American economy is resilient. And there are good reasons for that: a technological edge, a flexible labour market, ample energy resources, and no demographic problems of the kind that weigh on Europe and China. At the same time, Trump's policies harbour risks. Protectionism, for example as a result of the announced tariff increases, and state interference in the form of industrial policy could weigh on global trade - with consequences for export-oriented countries such as Switzerland.

What opportunities can you see in Trump's economic policy agenda?

Hopefully the new administration will resume negotiations on a Free Trade Agreement with Switzerland. These discussions were well advanced during Trump's first term, and such a deal would open up economic opportunities for Switzerland. Whether or not it actually comes to pass remains to be seen.

Will the geopolitical orientation of the US change with "America First"?

Trump is pursuing two principal objectives: first, he wants to make the US so strong that no one can threaten it - either economically or militarily. Second, he has no interest in America leading an international world order. Rivalry with China is a key focus. The war in the Ukraine does not fit with "America First", as it has strengthened the position of China. During Trump's second term, the US could potentially also withdraw from multilateral agreements such as the Paris Climate Agreement and the World Health Organization. This represents a risk for countries such as Switzerland, which are reliant on stable international regulations.

Trump is not just a showman – behind his act there is a professional businessman.

Will Trump's policies affect US-Swiss relations?

Both economically and politically, the USA is a key part of Switzerland. Swiss companies invest more than 300 billion in the USA every year, creating more than 300,000 jobs. Nonetheless, Switzerland is not a priority for the Trump Administration. A pragmatic approach is therefore crucial: building networks, following developments attentively, and responding flexibly when problems arise.

What's your assessment of the political polarization that currently characterizes the US?

The problem of political polarization is a deep one that divides US society – including within families. At the same time, many Americans regret this development, which shows there is a desire to bridge this divide. A crucial factor will be how the Democratic Party responds to its defeat and whether it can win back its traditional supporters.

10 %

Just ten percent of US economic output comes from exports, which makes it largely independent of the rest of the world.

How does the media influence Europe's view of Trump?

European media frequently adopt the views of the more Democrat-oriented US media such as the New York Times and CNN. This leads to a one-sided picture in which Trump is often reduced to a kind of comical villain. Such a portrayal fails to do justice to the businessman and politician that he is.

THE USA – ECONOMIC LEADER AND INNOVATION POWERHOUSE

The USA is the world's largest economy, with a strong domestic economy, comprehensive energy resources within its own borders, and a technological edge – such as in AI and 3-D printing, for example. Just ten percent of the country's economic output comes from exports, which makes it largely independent of the rest of the world. The USA is home to eight of the world's ten most valuable companies.

What specific characteristics do you identify with Donald Trump?

Trump combines surprising gambits with strategic calculation. In public he deliberately adopts a provocative stance in order to attract maximum attention. But in discussions he comes across as structured and well-prepared – with memos and targeted questions. This mix of bravura and strategy makes him an influential figure but also difficult to gauge. It's important to understand both sides of his character if we are to build a clear picture of the individual and his policies.

What are you expecting from his second term?

Trump is very deliberately playing the unpredictability card – a strategy that he describes in his book "The Art of the Deal" as a key to successful negotiations. He uses surprises to create new freedom of manoeuvre. What will be crucial is how rapidly and consistently he implements his plans, as the mid-term elections of 2026 could potentially threaten one or even both of the Republican majorities on Capitol Hill.

What does this mean for Switzerland? Watch carefully, act flexibly, and consolidate the country's reputation as a reliable partner.

Stewardship and Shareholder Engagement

Spotlight on Transparency: Investors Calling for Insight into Lobbying and Climate Targets.

Photo: Jeremy Bishop, Unsplash



Investors around the world are calling for greater transparency in relation to corporate lobbying activities. Shareholder proposals on the subject attracted a remarkable degree of support in 2024. Specifically, companies will be required to disclose which associations they belong to, or which organizations they support. Here the spotlight is on analysing whether the lobbying activities concur with publicly communicated climate targets.

The reporting year saw Globalance deepen its direct dialogue with investee companies and enter into additional collaborative engagement with other investors. The companies in our portfolios are making good progress and proceeding on a systematic, cautious basis. However, they are also encountering resistance: politically motivated sceptics, dissatisfied investors and the fossil fuel industry have been ramping up the pressure.

Our 2024 Stewardship Report contains details of all measures, while current campaigns and new scientific findings can be found on our website.



globalance.com/stewardship

FOCUS 2024



Climate, Biodiversity and Human Rights

1 Climate: In 2024, we once again concentrated on the climate plans of our portfolio companies - in particular on ambitious interim targets. Our analysis is based on five criteria: reporting on greenhouse gas emissions, reductions achieved, defined reduction targets, measures to reduce emissions and climate governance.

Example: We called on Best Buy to formulate a detailed climate transition plan with clear measures for greenhouse gas reduction, including product marking with an energy label.

2 Biodiversity: With new data from Iceberg Datalab, we identified companies with the greatest use of natural resources and included the entire value chain. Our recommendations are concentrated on the use of natural resources as the most effective lever for reducing their consumption.

Example: We called on Amazon to introduce a no-deforestation policy for own labels as well as other products.

3 Human rights: We discussed human rights issues with companies where we deem them significant.



Voting Rights

On behalf of our clients, we exercise the voting rights in our core portfolio, the Globalance Zukunftsbeweger Fonds and the Sokrates Fund worldwide. Via ISS, we voted on the basis of sustainability principles. We attended all of the general shareholder meetings of our portfolio companies in 2024 - a total of 90 meetings with 1,195 proposals. In 12 percent of cases (138), we voted against the management and supported 33 shareholder resolutions.

Globalance Events 2024

Key megatrends such as sustainable construction, energy supply, health and technological innovation were central to our events in 2024. From e-mobility and urban farming through ocean sailing to sustainable chocolate processing - our guests gained a fascinating insight into future themes and discovered

how new investment opportunities are being created as a result. Our aim is to inspire clients to think long-term and adopt forward-looking strategies that bring financial returns and at the same time have a positive impact on the economy, society and the environment.

Four High Points



FEBRUARY

Stay Biologically Younger

At our "Stay Biologically Younger" event, guests discovered how a combination of healthy eating, exercise and social contact can slow the ageing process. Heike Bischoff-Ferrari, Professor of Geriatrics and Ageing Research at the University of Zurich, stressed the importance of an active lifestyle for a long and healthy life.

MAY

Forward-looking Construction

Our visit to the Swiss Federal Laboratories for Materials Testing and Research (Empa) centered on forward-looking construction using recycled materials and resource-efficient technologies. The event was held twice on account of the high level of interest. Attendees gained an insight into innovative projects for the reduction and permanent storage of CO₂, offering hope for a sustainable future.



MARCH

E-mobility

At this co-event with Polestar, the Swedish manufacturer of premium electric vehicles, Professor Tobias Schmidt (ETH Zurich) and Sebastian Schnyder (Polestar) gave an insight into the rapid development and future of e-mobility. Its efficiency, the existing electricity network and falling battery costs make it the key technology for CO₂ reduction in transportation - the only question being how quickly it takes over.

JUNE

Smiling Gecko

Hannes Schmid, founder of the Smiling Gecko association, gave our guests an insight into his project in Cambodia through impressive videos and personal stories. Smiling Gecko promotes sustainable development through education, agriculture and craftsmanship and thus improves the lives of the rural population. Schmid emphasized that such changes are only possible through a long-term strategy.

OUTLOOK FOR 2025

In the new year too, our guests can expect a varied programme of events with inspiring entrepreneurs and innovative projects.

Many other exciting events will be announced shortly on our website at globalance.com/events.

Empa: Insight into research on microplastics and its impact on our health.

Noriware: The start-up launched by Jessica Farda presents innovative plastic films made from seaweed.

Roundtable Innovation: Discover innovations that are changing our world with Reto Ringger, founder and CEO of Globalance.



**Life is 10 %
what happens
to you and
90 % how you
react to it.**

Charles R. Swindoll, American theologian and author



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