March 2025

VF INVEST

DIVIDEND STRATEGY

PART 3

Featured Stocks at a Glance:

JP MORGAN CHASE
The largest and most important bank in the world?

MUNICH RE
The world's largest reinsurer shines with stability in the portfolio

NESTLÉ
Strong consumer brands and a shareholder-friendly policy

NOVARTIS
Attractive biotech and pharmaceutical stock from Switzerland

PING AN INSURANCE
Insurance giant from China with a broadly diversified business model

JP MORGAN CHASE

The largest and most important bank in the world?

JPMorgan Chase & Co. is the largest bank in the United States and one of the world's leading financial institutions. Headquartered in New York City, the company was formed in 2000 through the merger of J.P. Morgan & Co. and Chase Manhattan Bank.

In mid-2004, it acquired Capital One, then the fifth-largest U.S. bank, and its CEO Jamie Dimon has served as president and CEO of the combined company ever since. Warren Buffett has called Dimon the best banker of our time.

Today, JPMorgan Chase operates in over 100 countries, serving private individuals, businesses, institutional investors, and governments. Its highly diversified business model is structured around four key segments:

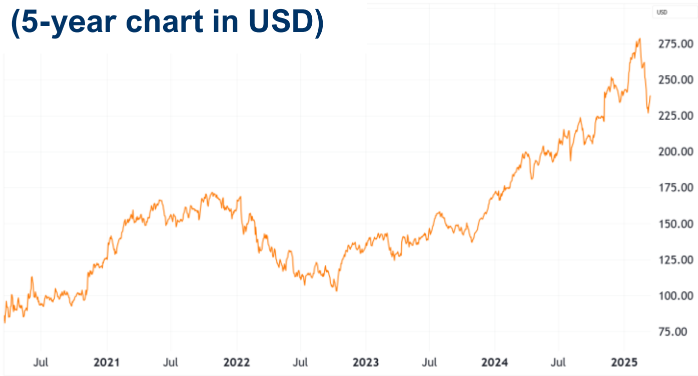
Consumer & Community Banking:

JPMorgan Chase offers a wide range of financial services for individual consumers and small businesses. These include traditional banking services such as checking accounts, loans, mortgages, and credit cards. With more than 4,700 branches and one of the largest ATM networks in the U.S., JPMorgan Chase is a leader in U.S. retail banking.

Corporate & Investment Bank:

This segment handles investment banking and securities services. JPMorgan Chase is one of the world's top investment banks, offering services

(5-year chart in USD)



Key Figures

ISIN	US46625H1005
Country / Industry	USA / Banking
Market Capitalization	701.4 billion USD
Performance (last 10 years)	+287.2%
Revenue Growth (5-Year CAGR)	+7.9%
Earnings Growth (5-Year CAGR)	+13.0%
Free Cash Flow Growth (5-Year CAGR)	+37.1%
Equity Ratio (5-Year Average)	10%

Dividend Data

Payout Frequency	Quartely
Dividend (Last Fiscal Year)	4.80 USD
Dividend Yield (Last Fiscal Year)	1.91%
Dividend Increases / Cuts (Last 10 Years)	10 / 0
Dividend Growth (1 Year)	+17%
Dividend Growth (5-Year Avg.)	+7.1%
Payout Ratio (5-Year Avg.)	27%
Foreign Withholding Tax	30%

→ Withholding tax rates may be reduced or refundable under applicable tax treaties and local regulations

Forecasts	2023	2024e	2025e	2026e	2027e
Dividend (USD)	4.10	4.80	5.20	5.60	6.00
Dividend Yield (%)	1.60	1.91	2.07	2.23	2.39
Earnings per Share	16.23	19.75	18.43	19.75	21.45
P/E Ratio	15.5	12.7	13.6	12.7	11.7
Revenue ($ billion)	241.5	281.8	176.1	182.0	190.1

such as corporate finance, mergers & acquisitions, advisory, capital market transactions, and trading in equities, bonds, derivatives, and foreign exchange. The Corporate & Investment Bank segment contributes a significant portion of the group's overall profit.

Commercial Banking:

In this segment, JPMorgan Chase serves medium-sized and large businesses as well as public institutions. The bank offers customized financing solutions, lending services, treasury management, and advisory services.

Asset & Wealth Management:

As one of the largest asset managers in the world, JPMorgan Chase manages capital for high-net-worth individuals, institutional investors, and pension funds. With over three trillion U.S. dollars in assets under management, the company offers a broad range of investment products, including funds, ETFs, and tailored investment strategies.

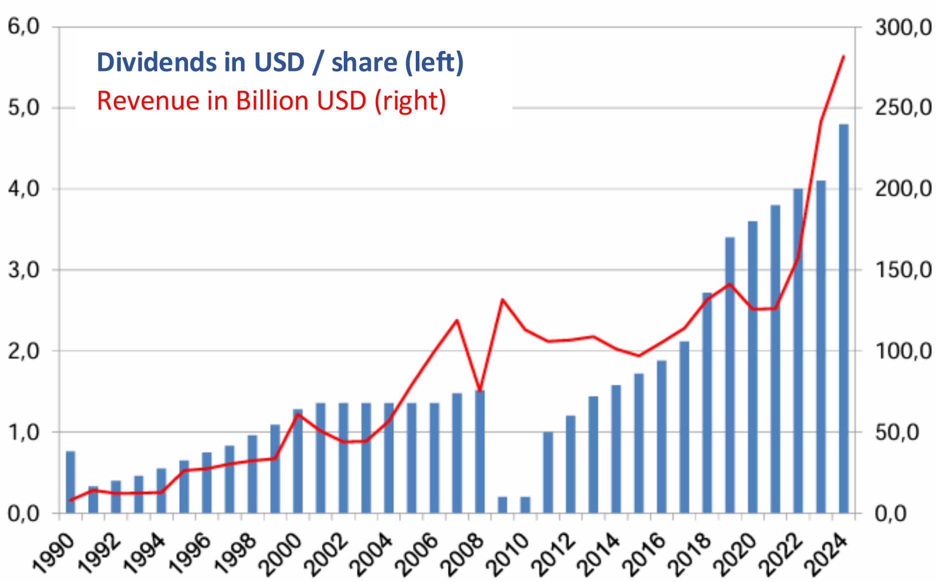
The broadly diversified business model of JPMorgan Chase allows the bank to benefit from various economic cycles and market conditions. The balance between retail banking, investment banking, and asset management provides the company with a high level of earnings stability.

Opportunities and Risks

The global trend of growing private wealth and the increasing importance of retirement planning are driving demand for asset management services. JPMorgan Chase is well positioned in this area and benefits from rising net inflows. On the other hand, stricter and increasingly complex banking regulations are making operations more challenging. In the rapidly growing "private credit" segment, alternative asset managers such as Blackstone, Apollo, Ares, and KKR are putting significant pressure on major banks.

Additionally, the banking business is heavily dependent on interest rate trends, as a higher interest rate environment generally allows for greater lending margins.

Dividends and Revenue since 1990



JPMorgan Chase has always been a reliable dividend payer, with the exception of the financial crisis; even in 2009 and 2010, it maintained a minimum dividend payout of five cents per share per quarter.

Since the resumption of regular dividend payments in 2011 at $0.25, the dividend has more than quadrupled, with an average annual increase of over seven percent over the past five years.

The payout ratio stands at around one-third of earnings, which makes it well-covered on one hand and, on the other, leaves room for future dividend increases.

MUNICH RE

The world's largest reinsurer shines with stability in the portfolio

Munich Re is one of the world’s largest reinsurers, headquartered in Munich, Germany. Founded in 1880, the company is now a leading player in the global insurance and reinsurance market.

In addition to its reinsurance business, Munich Re is also active in primary insurance through its subsidiary ERGO and offers asset management solutions via MEAG. The company’s core business is divided into three main segments.

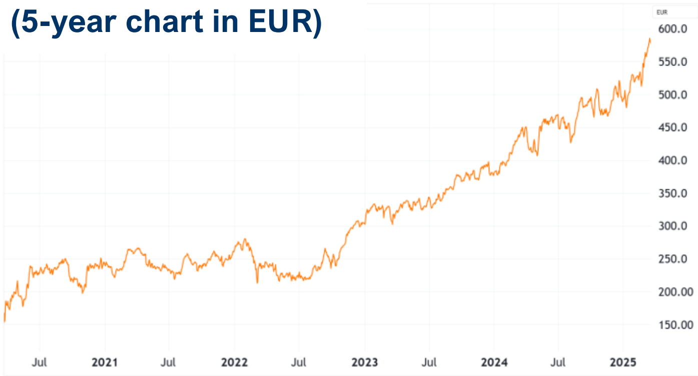
Reinsurance:

Reinsurance is the core of Munich Re’s operations. Reinsurers take on parts of the risks borne by primary insurers, who provide products such as life, liability, or property insurance. Munich Re offers reinsurance solutions in the areas of life, health, property, and casualty. The company works with insurers around the world and contributes to the stability of the insurance system by covering major risks — such as natural disasters, pandemics, or large-scale industrial losses.

Primary Insurance (ERGO Group):

ERGO is one of the leading primary insurers in Germany and several international markets. ERGO offers products in life insurance, health insurance, property and casualty insurance, as well as direct insurance.

(5-year chart in EUR)



Key Figures

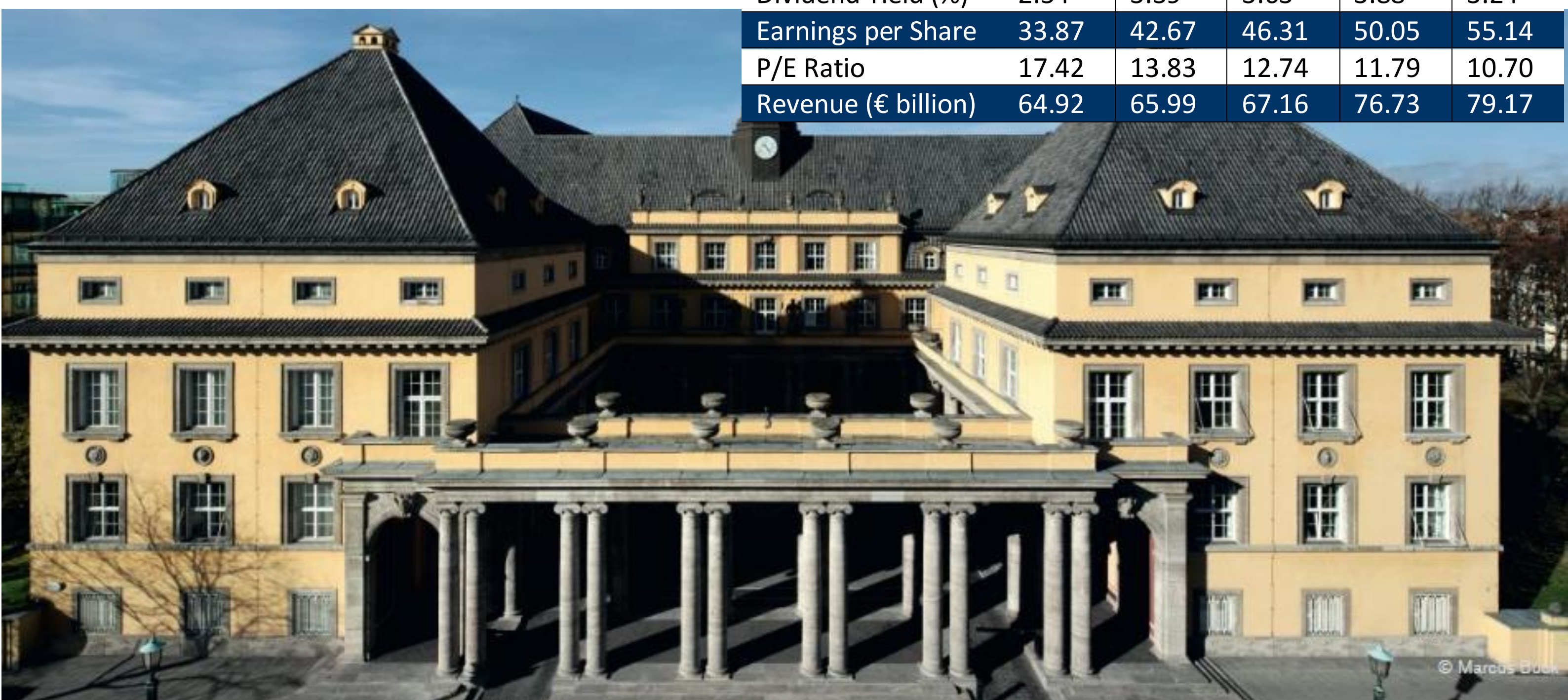
ISIN	DE0008430026
Country / Industry	Germany / Insurance
Market Capitalization	78.54 billion EUR
Performance (last 10 years)	+195.5%
Revenue Growth (5-Year CAGR)	+4.4%
Earnings Growth (5-Year CAGR)	+11.9%
Free Cash Flow Growth (5-Year CAGR)	+9.0%
Equity Ratio (5-Year Average)	25%

Dividend Data

Payout Frequency	Annually
Dividend (Last Fiscal Year)	20,00 EUR
Dividend Yield (Last Fiscal Year)	3.39%
Dividend Increases / Cuts (Last 10 Years)	9 / 0
Dividend Growth (1 Year)	+33.3%
Dividend Growth (5-Year Avg.)	+10.2%
Payout Ratio (5-Year Avg.)	47.5%
Foreign Withholding Tax	26.375%

→ Withholding tax rates may be reduced or refundable under applicable tax treaties and local regulations

Forecasts	2023	2024e	2025e	2026e	2027e
Dividend (EUR)	15.00	20.00	21.40	22.90	19.10
Dividend Yield (%)	2.54	3.39	3.63	3.88	3.24
Earnings per Share	33.87	42.67	46.31	50.05	55.14
P/E Ratio	17.42	13.83	12.74	11.79	10.70
Revenue (€ billion)	64.92	65.99	67.16	76.73	79.17



This diversification allows Munich Re to benefit from the growing primary insurance business and to leverage synergies between primary and reinsurance operations.

Asset Management (MEAG):

MEAG manages the capital investments of the Munich Re Group and external clients. With assets under management in the billions, its professional asset management contributes to the company's stability and long-term success.

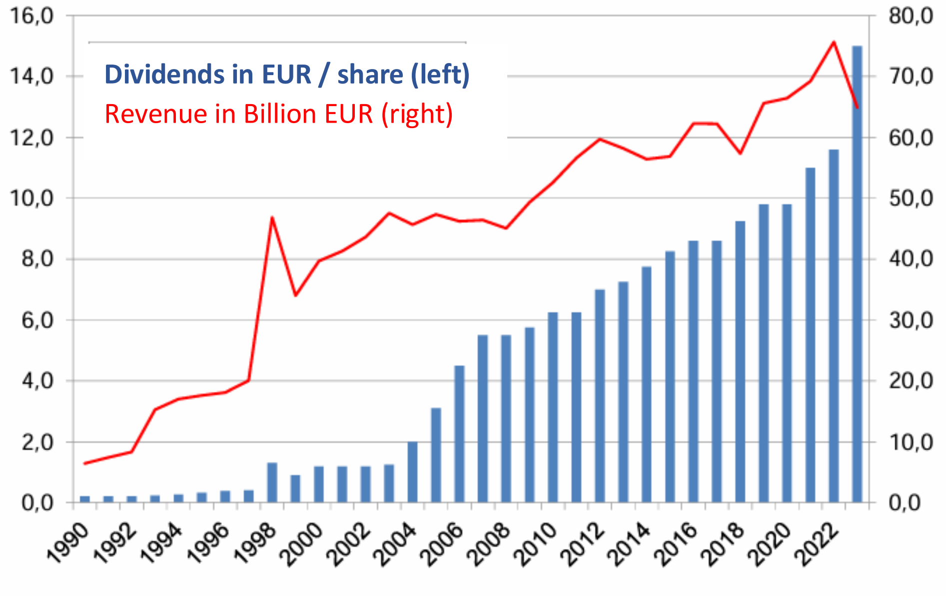
A key strategic pillar of Munich Re's business model is diversification: the company covers a wide range of regions, customer groups, and insurance segments. Munich Re is also distinguished by its strong risk expertise and active cycle management, enabling it to navigate various market phases profitably.

OPPORTUNITIES AND RISKS

Global megatrends such as climate change, cyber risks, pandemics, and geopolitical uncertainties are driving increased demand for innovative reinsurance solutions. As digitalization advances, the need for cyber reinsurance coverage is also growing. Munich Re identified this market early on and is continuously expanding its portfolio in the areas of cyber and other specialty insurance lines such as renewable energy and infrastructure projects.

As a reinsurer, Munich Re is heavily exposed to major events like hurricanes, earthquakes, or floods. Despite active risk management, unexpected large-scale losses can significantly impact results. Additionally, the company's performance is closely tied to developments in the capital markets, as a substantial portion of its income comes from investment returns. Low interest rates or financial market volatility can affect investment yields and, in turn, overall profitability.

Dividends and Revenue since 1990



Munich Re's dividend trend has generally moved upward. The company has not cut its dividend in over 50 years, even if not every year saw an increase. Over the past five years, the average annual dividend growth has been 10.2 percent, with the payout ratio averaging around 48 percent—a healthy level. Three years ago, the payout ratio was significantly higher due to weaker earnings in 2020 and 2017, which lowered the long-term average. The stock is trading at an all-time high, yet the dividend yield remains relatively attractive at around 3.4 percent.

NESTLÉ

Strong consumer brands and a shareholder-friendly policy

Nestlé S.A., headquartered in Vevey, Switzerland, is the largest food and beverage company in the world. Founded in 1866, the company now employs around 275,000 people and operates in over 180 countries. Nestlé is a classic fast-moving consumer goods company with a strong focus on food and beverages. Its business model is based on the production, marketing, and global distribution of everyday consumer goods. Nestlé products can be found in almost every supermarket around the world.

The company organizes its operations into several segments:

Powdered and Liquid Beverages includes brands such as Nescafé, Nespresso, and various teas and bottled waters (e.g., San Pellegrino).

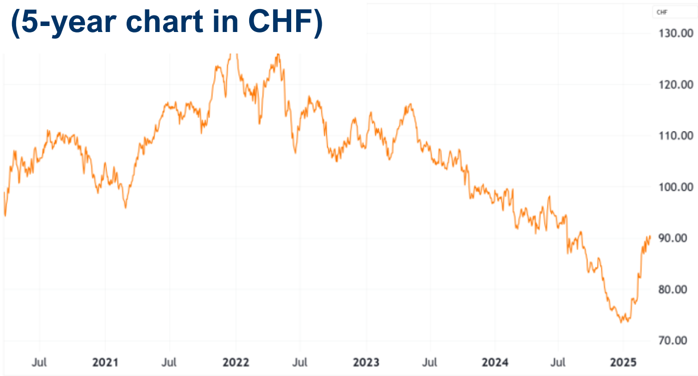
Nutrition & Health Science covers medical and functional nutrition, dietary supplements, and specialized products for babies, seniors, and patients with specific dietary needs.

Prepared Dishes and Cooking Aids includes ready meals and cooking products such as Maggi, Buitoni, and Garden Gourmet.

Confectionery and Ice Cream features chocolates and sweets like KitKat and ice cream brands such as Mövenpick and Häagen-Dazs.

In the PetCare segment, Nestlé is a global leader in pet food with its Purina brand.

(5-year chart in CHF)



Key Figures

ISIN	CH0038863350
Country / Industry	Switzerland / Consumable Goods
Market Capitalization	230.49 billion CHF
Performance (last 10 years)	+21.3%
Revenue Growth (5-Year CAGR)	+3.0%
Earnings Growth (5-Year CAGR)	+6.5%
Free Cash Flow Growth (5-Year CAGR)	+2.5%
Equity Ratio (5-Year Average)	45%

Dividend Data

Payout Frequency	Annually
Dividend (Last Fiscal Year)	3.05 CHF
Dividend Yield (Last Fiscal Year)	3.4%
Dividend Increases / Cuts (Last 10 Years)	10 / 0
Dividend Growth (1 Year)	+1.7%
Dividend Growth (5-Year Avg.)	+2.6%
Payout Ratio (5-Year Avg.)	72.8%
Foreign Withholding Tax	35%

→ Withholding tax rates may be reduced or refundable under applicable tax treaties and local regulations

Forecasts	2024	2025e	2026e	2027e	2028e
Dividend (CHF)	3.05	3.10	3.20	3.35	3.56
Dividend Yield (%)	3.40	3.46	3.57	3.74	3.97
Earnings per Share	4.19	4.57	4.89	5.22	5.56
P/E Ratio	21.4	19.6	18.3	17.2	16.1
Revenue (billion)	91.3	94.4	97.9	102.2	104.0

Good Food, Good Life

The company places a strong emphasis on innovation, local adaptation, and strong brand management. In addition to its presence in brick-and-mortar retail, Nestlé is steadily expanding its direct-to-consumer and e-commerce activities. Sustainability is also playing an increasingly important role in the company's strategy, with initiatives aimed at reducing plastic waste and CO_2 emissions.

Opportunities and Risks

Nestlé generates a significant portion of its revenue in emerging markets, where demand for processed foods and beverages continues to grow. Rising purchasing power in Asia, Africa, and Latin America offers long-term opportunities for expansion. With its vast portfolio of well-known brands, Nestlé covers a wide range of consumer needs. This diversification ensures stable revenues and reduces dependence on individual markets.

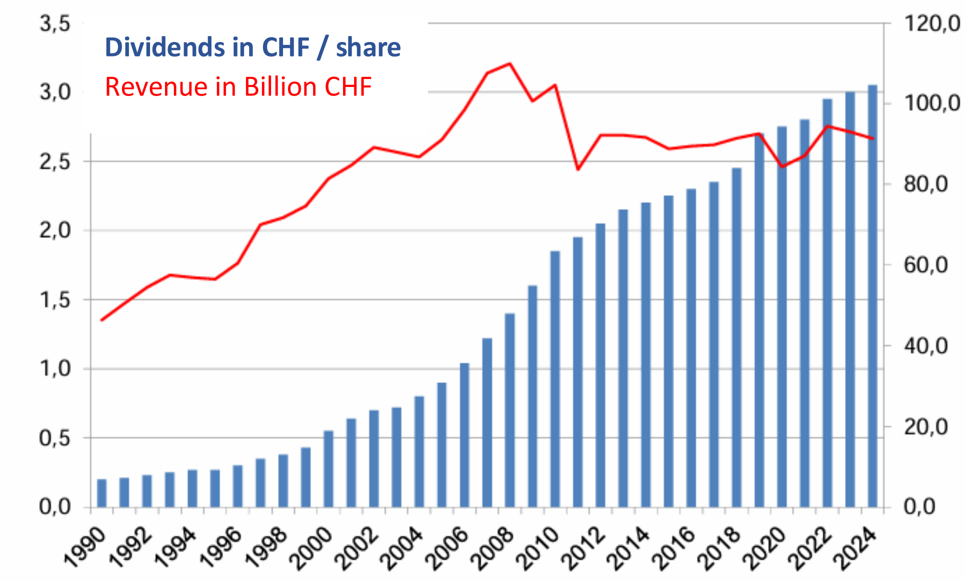
On the other hand, Nestlé faces strong global competition from rivals such as Unilever, Danone, Mondelēz, and Mars.

Additionally, the growing importance of private-label products in the retail food sector increases pressure on prices and market share.

Nestlé has also been facing a significant image problem for some time, frequently coming under criticism for issues such as the intensive use of water resources, controversial palm oil supply chains, and child labor in cocoa production. These controversies have led to widespread consumer boycotts, negatively affecting both individual brands and the company as a whole.

Furthermore, as a food manufacturer, Nestlé is heavily dependent on the price development of raw materials such as cocoa, coffee, sugar, and milk. Price fluctuations can impact profit margins, especially when cost increases cannot be fully passed on to consumers. In addition, food and beverage companies around the world are subject to strict regulations regarding health, environmental impact, and advertising. New regulations — such as sugar taxes or stricter labeling requirements — can negatively affect certain product segments.

Dividends and Revenue since 1990



Nestlé has been steadily increasing its dividend for 29 consecutive years, and this trend is expected to continue in the future. Over the past five years, the payout has grown by approximately eleven percent, with a high payout ratio of 73 percent. Ongoing share buybacks continue to reduce the number of outstanding shares, meaning the company's profits are distributed among fewer shares. This helps keep the dividend yield attractive, even as the stock price rises. Thanks to its annually increasing dividend since 1996, Nestlé is now part of the distinguished group of Dividend Aristocrats.

NOVARTIS

Attractive biotech and pharmaceutical stock from Switzerland

Novartis AG is one of the world's leading pharmaceutical companies, headquartered in Basel, Switzerland. The company was formed in 1996 through the merger of two long-established chemical and pharmaceutical companies, Ciba-Geigy and Sandoz. With over 100,000 employees in around 150 countries, Novartis is a major player in the healthcare sector. The company focuses on the research, development, production, and marketing of innovative medicines and health solutions that benefit people worldwide.

Novartis follows a broadly diversified business model with a focus on prescription drugs. In recent years, the company has strategically concentrated on its research-based pharmaceuticals division and spun off non-core areas, such as the generics division Sandoz.

Novartis is divided into two main business segments. **Innovative Medicines:** This is the largest division of Novartis and includes the research, development, and marketing of innovative, patent-protected drugs. The company focuses on key therapeutic areas such as oncology, immunology, cardiovascular and metabolic diseases, and neurology. Some of its most well-known medications include Cosentyx (for autoimmune diseases), Entresto (for heart failure), and Kisqali (for breast cancer).

(5-year chart in CHF)

Key Figures

ISIN	CH0012005267
Country / Industry	Switzerland / Pharmaceuticals
Market Capitalization	189.95 billion CHF
Performance (last 10 years)	+19.5%
Revenue Growth (5-Year CAGR)	+4.5%
Earnings Growth (5-Year CAGR)	+3.6%
Free Cash Flow Growth (5-Year CAGR)	+4.9%
Equity Ratio (5-Year Average)	50%

Dividend Data

Payout Frequency	Annually
Dividend (Last Fiscal Year)	3.50 CHF
Dividend Yield (Last Fiscal Year)	3.60%
Dividend Increases / Cuts (Last 10 Years)	10 / 0
Dividend Growth (1 Year)	+6.1%
Dividend Growth (5-Year Avg.)	+4.2%
Payout Ratio (5-Year Avg.)	58%
Foreign Withholding Tax	35%

→ Withholding tax rates may be reduced or refundable under applicable tax treaties and local regulations

Forecasts	2024	2025e	2026e	2027e	2028e
Dividend (CHF)	3.50	3.89	4.10	4.13	4.33
Dividend Yield (%)	3.64	4.04	4.26	4.29	4.50
Earnings per Share	5.21	8.45	8.60	9.05	9.33
P/E Ratio	18.46	11.38	11.18	10.63	10.31
Revenue (billion)	44.31	52.64	53.92	55.65	56.54

NOVARTIS

Novartis invests billions of dollars annually in the research and development of new drugs and maintains a continuous pipeline of compounds in various clinical phases. The focus is on biopharmaceuticals, cell and gene therapies, and other innovative therapeutic approaches.

Radioligand Therapies: A strong growth area is radioligand therapy, which is used for targeted treatment of certain types of cancer. Novartis has positioned itself in this segment through acquisitions such as Advanced Accelerator Applications (AAA) and is developing radiopharmaceutical solutions that enable precise targeting of tumors.

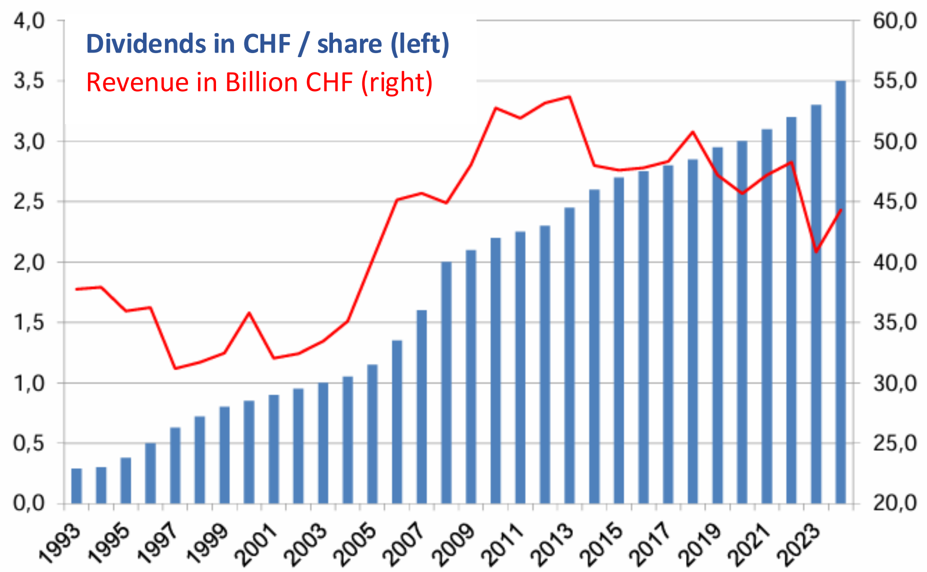
Novartis is pursuing a long-term strategy focused on innovation, digitalization, and sustainability. The combination of a strong drug pipeline, strategic partnerships with biotech companies, and investments in forward-looking technologies such as artificial intelligence and data-driven research secures Novartis' strong position in the pharmaceutical market.

OPPORTUNITIES AND RISKS

Novartis has a promising research and development pipeline with drugs in key therapeutic areas. Particularly in oncology and rare diseases, the pipeline offers high revenue potential. Demographic change, with an aging population, as well as the global trend toward personalized medicine and innovative therapies such as cell and gene therapies, plays into Novartis' hands. The company is investing specifically in these segments, which are expected to show strong growth in the future, especially in the field of precision oncology.

On the other hand, pharmaceutical companies in the US and Europe are increasingly facing pricing pressure and political debates over drug prices. And when a drug's patent protection expires, significant losses in sales and profits can occur — unless a suitable successor product is available.

Dividends and Revenue since 1993



Novartis has been a reliable dividend payer despite challenges in recent years, and most equity analysts expect payouts to continue rising in the coming years.

The dividend has been steadily increased over the past 28 years and has grown at an average rate of 3.3 percent over the last ten years. However, the relatively high payout ratio—averaging 58 percent over the past five years—does not leave much room for significant increases. That said, the current dividend yield of around 3.6 percent is already relatively attractive.

PING AN INSURANCE

Insurance giant from China with a broadly diversified business model

Ping An Insurance (Group) Company of China, commonly referred to as Ping An, is one of the largest financial services companies in Asia and one of the world's biggest insurers. Founded in 1988 and headquartered in Shenzhen, China, Ping An is today a broadly diversified group active in insurance, banking, asset management, and digital financial services. The company is listed on both the Hong Kong and Shanghai stock exchanges and is part of the leading Chinese stock indices. With over 200 million retail customers and a strong presence in the rapidly growing Chinese insurance market, Ping An is considered a key driver of innovation and digitalization in the Asian financial sector.

Ping An's business model includes both traditional insurance products and banking services as well as digital platforms.

Insurance Business (Life & Health, Property & Casualty): Ping An is a market leader in life and health insurance in China. The company offers a broad range of insurance products, including life insurance, health insurance, retirement plans, and accident insurance. Ping An is also strongly represented in the property and casualty insurance sector, particularly in auto insurance, through its subsidiary Ping An Property & Casualty.

(5-year chart in HKD)

Key Figures

ISIN	CNE1000003X6
Country / Industry	China / Insurance
Market Capitalization	121.38 $ billion
Performance (last 10 years)	+3.3%
Revenue Growth (5-Year CAGR)	-2.3%
Earnings Growth (5-Year CAGR)	-7.0%
Free Cash Flow Growth (5-Year CAGR)	+9.6%
Equity Ratio (5-Year Average)	10%

Dividend Data

Payout Frequency	Semiannually
Dividend (Last Fiscal Year)	1.62 CNY
Dividend Yield (Last Fiscal Year)	3.1%
Dividend Increases / Cuts (Last 10 Years)	9 / 0
Dividend Growth (1 Year)	-5.3%
Dividend Growth (5-Year Avg.)	+5.6%
Payout Ratio (5-Year Avg.)	45%
Foreign Withholding Tax	10%

→ Withholding tax rates may be reduced or refundable under applicable tax treaties and local regulations

Forecasts	2023	2024	2025e	2026e	2027e
Dividend (CNY)	1.50	1.62	2.66	2.79	3.02
Dividend Yield (%)	3.72	3.08	5.14	5.40	5.84
Earnings per Share	4.74	6.99	7.62	8.15	8.94
P/E Ratio	8.50	7.53	6.79	6.35	5.79
Revenue(billion CNY)	913.9	1,029	566.9	599.7	631.8

Banking and Asset Management: Through Ping An Bank, the group operates one of China's leading private banks. The bank offers traditional banking services such as loans, deposits, payment transactions, and wealth management. In addition, Ping An is also active in asset management, managing a large volume of capital investments for both institutional and private clients via its subsidiaries.

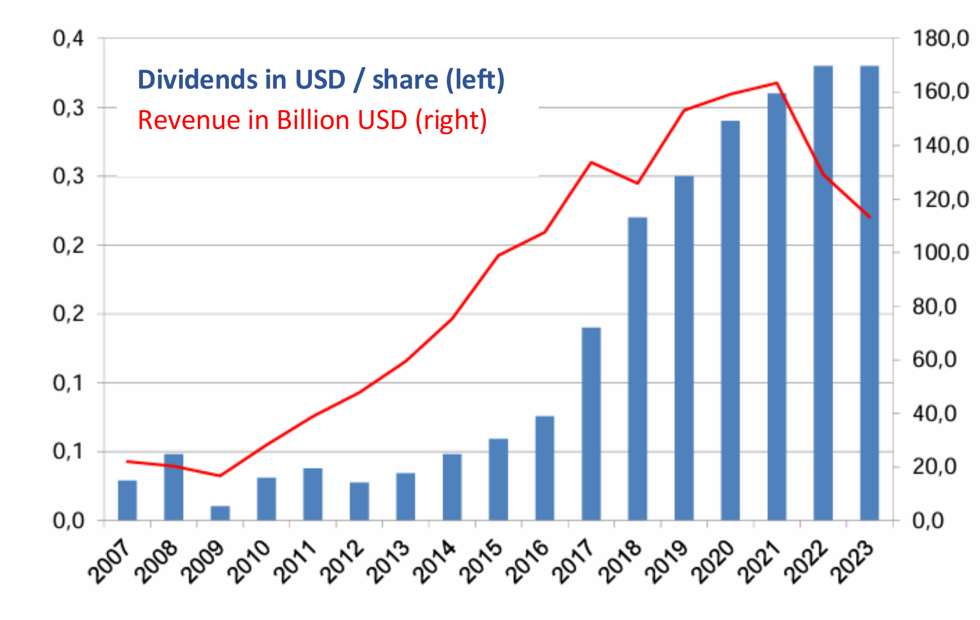
Technology and Digital Platforms: A unique feature of Ping An is its consistent focus on technology and innovation. The company operates several digital platforms, including "Ping An Good Doctor" (one of China's leading digital health platforms) and "Lufax", a major online wealth management and lending platform. In its "Ping An Technology" segment, the group also develops its own AI and big data solutions for the finance and healthcare industries.

Ecosystem Strategy: Ping An pursues an "ecosystem strategy" aimed at offering customers not just financial services, but also services in related areas such as healthcare, mobility, and smart city solutions. The goal is to bind customers long-term to Ping An's platforms and generate additional revenue through cross-selling.

OPPORTUNITIES AND RISKS

China's population is aging, and the wealth of the middle class is rising. This leads to increased demand for life, health, and retirement insurance. As a market leader, Ping An benefits disproportionately. With multi-billion-dollar investments in AI, big data, and fintech, Ping An has developed into one of the most technologically advanced financial groups. The combination of insurance, banking, and digital services provides Ping An with a robust revenue base.
However, the company is heavily focused on China, where the government often intervenes in a regulatory and sometimes arbitrary manner. The lack of rule of law in China offers companies limited means to challenge government actions.

Dividends and Revenue since 2007



Many Chinese companies, including Ping An Insurance, are listed on the Hong Kong Stock Exchange through so-called H-shares. Hong Kong itself does not levy a withholding tax on dividends. However, dividends from Chinese companies listed in Hong Kong are still subject to a Chinese withholding tax of 10 percent.