

Our investment beliefs



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While maintaining an appropriate risk budget, we strive to achieve the best possible overall return in order to deliver the promised benefits. Our investment activity is guided by the following principles:

1. We have a very long-term **investment horizon**. This gives us access to a wide investment universe and enables us to withstand short-term fluctuations on the capital markets.
2. The **strategic asset allocation** determines the bulk of the risk we accept, and thus the success of our investments. It is therefore the most important decision we make.
3. By capturing systematic risk premiums and employing broad **diversification** across asset classes and portfolios, we optimise the risk/return profile.
4. We invest **responsibly**. When implementing the strategic asset allocation, we take account of environmental (E), social (S) and governance (G) criteria, with the intention of achieving a risk/return profile that is at least as good or better over the long term.
5. We aim to construct a portfolio that is **cost-efficient** and comprehensible. We favour simplicity and **transparency**. We invest in more complex asset classes only if we have the necessary size and knowledge, and if higher risk premiums justify the complexity.
6. We are not in a position to systematically exceed market returns, and we therefore choose rules-based reference portfolios and **passive implementation** as the basis of our investment activity. We deviate from this when it is impossible to replicate a reference portfolio, there are clear signs of market failure, or we can reduce the risk by doing so.
7. We define **clear objectives**, measure our successes and explain deviations from them.
8. PUBLICA's strong **governance** contributes to the long-term success of our investment activity.

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