



SwissLife
Asset Managers

Swiss Life REF (CH) ESG Swiss Properties

Contractual investment fund under
Swiss law of the type “real estate fund”

Audited annual report as of 30 September 2023



“The fund properties are being systematically decarbonised through renovation projects, and their earnings potential realised.”

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*This report is an English translation of the original German version.
In case of discrepancies in interpretation, the German version takes precedence.*



Highlights

Key figures		30/09/2023	30/09/2022
ISIN		CH293784861	CH293784861
Swiss security number		29378486	29378486
Number of units in circulation		16 200 000	16 200 000
Fund units issued		0	2 700 000
Fund units redeemed		0	0
Net asset value per unit (incl. distribution)	CHF	113.73	115.60
Exchange price	CHF	117.50	123.30
Premium/Discount		3.31%	6.66%
Stock market capitalisation	CHF	1 903 500 000.00	1 997 460 000.00

Statement of net assets

Market value of properties	CHF	2 532 898 000.00	2 344 866 000.00
Book value of properties	CHF	2 437 567 483.94	2 214 384 618.94
Total fund assets (GAV)	CHF	2 547 767 024.48	2 405 101 109.13
Third-party borrowing as % of market value of properties		26.05%	20.37%
Debt as percentage of total assets		27.68%	22.14%
Residual term of borrowing	Jahre	1.46	1.35
Interest on borrowing		1.68%	0.57%
Net fund assets (NAV)	CHF	1 842 464 034.74	1 872 707 271.53

Statement of income

		01/10/2022–30/09/2023	01/10/2021–30/09/2022
Rental income	CHF	92 720 938.88	83 926 379.21
Rent default rate (Rental loss)		1.49%	2.50%
Maintenance and repairs	CHF	10 734 098.54	11 316 950.55
Net income	CHF	44 047 078.72	38 005 826.70
Realised capital gains and losses	CHF	3 817 249.49	14 159 729.09
Unrealised capital gains and losses	CHF	-35 150 865.00	30 784 726.23
Total net income	CHF	11 876 763.21	78 372 782.02



Return and performance data		30/09/2023	30/09/2022
Distribution per unit	CHF	2.60	2.60
Distribution yield		2.21%	2.11%
Payout ratio		95.62%	110.83%
Return on equity (ROE)		0.63%	4.28%
Return on invested capital (ROIC)		0.78%	3.42%
Investment yield		0.65%	4.37%
Performance		-2.71%	-9.59%
Operating profit margin (EBIT margin)		65.56%	65.40%
Price/earnings ratio (P/E ratio)		160.27	25.20
Price/cash flow ratio (P/CF ratio)		39.77	38.18
Total expense ratio GAV (TER _{REF} GAV)		0.74%	0.78%
Total expense ratio NAV (TER _{REF} NAV)		1.02%	1.01%
Total expense ratio market value (TER _{REF} MV)		0.99%	0.89%

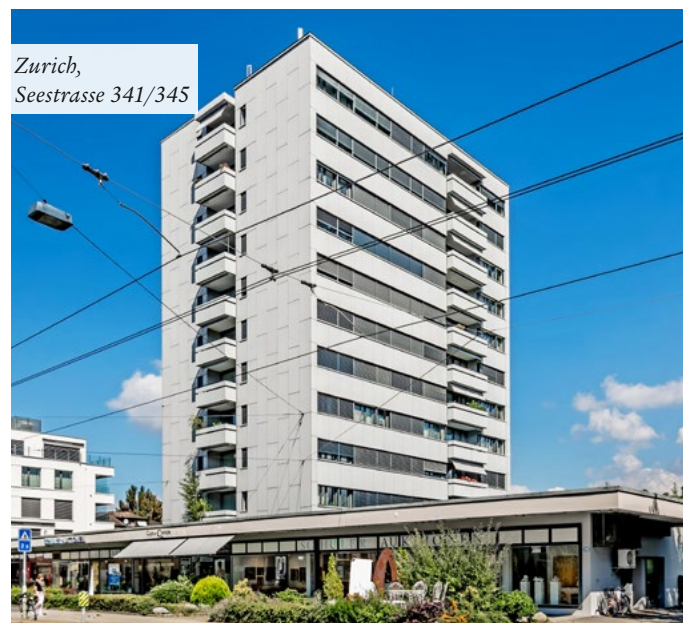
The key figures were calculated according to the "Key Data for Real Estate Funds" specialist information factsheet published by AMAS on 13 September 2016.

Past performance is no indication of current or future performance.

The performance data do not include commissions and costs incurred when issuing and redeeming fund units.

Figures from previous years

	Net fund asset CHF	Number of units in circulation	Net asset value per unit CHF	Exchange price CHF	Distribution per unit (gross amount) CHF
30/09/2022	1 872 707 271.53	16 200 000	115.60	123.30	2.60
30/09/2021	1 530 301 489.51	13 500 000	113.36	142.30	2.60
30/09/2020	998 880 729.21	9 000 000	110.99	128.50	2.60



Organisation

Fund management company	<i>Swiss Life Asset Management Ltd</i> General-Guisan-Quai 40, CH-8002 Zurich
Board of Directors	<p><i>Stefan Mächler</i>, Chairman Group CIO and member of the Corporate Executive Board of the Swiss Life Group, with further directorships within the Swiss Life Group, Chairman of the Board of Directors of Ina Invest Holding Ltd and Ina Invest Ltd</p> <p><i>Hermann Inglin</i>, Member Swiss Life Investment Management Holding AG, with further directorships within the Swiss Life Group</p> <p><i>Lorenzo Kyburz</i>, Member Swiss Life Investment Management Holding AG, with a directorship within the Swiss Life Group</p> <p><i>Dr Rolf Aeberli</i>, Member Head of Corporate Mandates at Swiss Life Ltd, with further directorships within the Swiss Life Group, Chairman of the Board of Directors of First Swiss Mobility 2019-1 AG, First Swiss Mobility 2020-1 AG, First Swiss Mobility 2020-2 AG, First Swiss Mobility 2022-1 AG, First Swiss Mobility 2023-1 AG and RWA Consulting AG</p>
Executive Board	<p><i>Robin van Berkel</i>, CEO, with directorships within the Swiss Life Group</p> <p><i>Daniel Berner</i>, Deputy CEO, Head of Securities</p> <p><i>Paolo Di Stefano</i>, Head of Real Estate with directorships within the Swiss Life Group</p> <p><i>Jan Grunow</i>, Area Head Operations, with a Board of Trustees' mandate within the Swiss Life Group</p> <p><i>Christoph Gisler</i>, Head of Infrastructure Equity, with directorships within the Swiss Life Group</p> <p><i>Mark Fehlmann</i>, Head of Sales & Marketing with directorships within the Swiss Life Group</p> <p><i>Marion Koch</i>, Head of Private Clients</p>
Custodian bank and payment office	<i>UBS Switzerland AG</i> Bahnhofstrasse 45, CH-8001 Zurich

Portfolio management	<p><i>Swiss Life Asset Management Ltd</i> General-Guisan-Quai 40, CH-8002 Zurich</p> <p><i>Marcel Schmitt, Portfolio Manager</i></p>
Delegation of specific tasks	<p><i>Internal audit</i> Corporate Internal Audit of the Swiss Life Group</p> <p><i>Specific tasks in Legal & Compliance and Risk Management</i> Swiss Life Investment Management Holding AG</p> <p><i>IT infrastructure services, application development and operations, IT risk management and IT security,</i> Swiss Life Investment Management Holding AG and Swiss Life Ltd</p> <p><i>Property management and technical maintenance</i> Livit Ltd and Ledermann Management Ltd</p>
Valuation experts	<p><i>Wüest Partner AG, Zurich</i></p> <p><i>Fabio Guerra, dipl. Arch. ETH, Chartered Surveyor MRICS, MSc Real Estate (CUREM)</i></p> <p><i>Pascal Marazzi-de Lima, dipl. Arch. ETH, Chartered Surveyor MRICS</i></p>
Auditor	<p><i>PricewaterhouseCoopers Ltd</i> Birchstrasse 160, CH-8050 Zurich</p>
Trading	<p><i>SIX Swiss Exchange Ltd</i></p>

Report on activities by Portfolio Management

Performance of the fund

Operating result and distribution

The target rental income in the 2022/2023 financial year was CHF 94 337 053. Vacancies, rental losses and corresponding provisions accounted for 1.49% of this sum (rent default rate). CHF 10 734 099 or 11.38% of the target rental income was spent on value-preserving investments, maintenance and repairs. Running the properties (administration, rentals, property taxes etc.) cost CHF 8 807 080 or 9.34% of the target rental income. The property portfolio's resulting net income amounted to CHF 74 795 875 or 79.29% of the target net rental income.

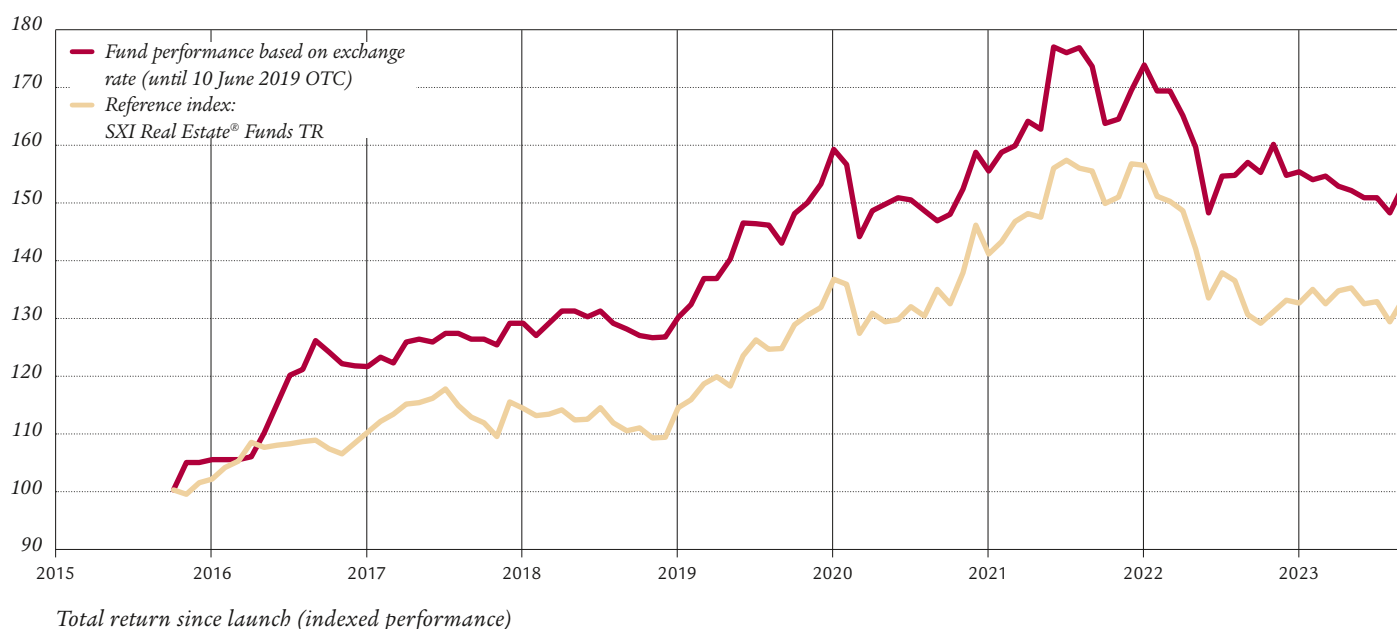
The fund operating expenses came to CHF 19 204 258 (incl. the above-mentioned expenses for property management by Livit Ltd). The total expense ratio (TER) in relation to the gross asset value (GAV) therefore amounted to 0.74%. After deduction of the remaining fund expenses, such as income and capital taxes as well as mortgage interest and other financing expenses, the fund's net income was CHF 44 047 079, or CHF 2.72 per unit.

In addition, the sale of five properties (see "Sales and purchases" section) resulted in a realised capital gain of CHF 3 817 249 or CHF 0.24 per unit during the financial year. The total profit realised during the business period thus came to CHF 47 864 328 or CHF 2.95 per unit. There were also retained earnings from sales in previous financial years of CHF 10 445 765 or CHF 0.64 per unit as at 30 September 2023.

The distribution for the 2022/2023 financial year is set, as in previous years, at CHF 42 120 000 or CHF 2.60 per unit. The yield on distribution based on the exchange price (as at 30 September 2023) is thus 2.21%. The yield on distribution in relation to the NAV is 2.29%.

The complete statement of income is shown on page 22.





Performance of fund assets

The property portfolio fell slightly in value over the financial year due to the marked rise in nominal interest rates. The market value of the properties in the portfolio throughout the entire reporting period (like-for-like) fell by around CHF 31.38 million or 1.4% (net, after deduction of investments made). The figures were negatively affected by the slight increase in discount rates of 0.10% on average. The average, market value-weighted discount rate in the like-for-like portfolio increased from 2.54% to 2.64% (net, real). On the other hand, strong demand for rental apartments, especially those in good locations, had a stabilising effect on values. The accredited, independent valuation experts estimate future rental income to be around 2.7% higher, and expected vacancies to be 0.46 percentage points lower than in September 2022.

On 15 December 2022, the fund acquired a real estate portfolio from Swiss Life Ltd with a market value of around CHF 241.7 million (see “Sales and purchases” section). The purchase price was financed with debt capital, as a result of which the borrowing ratio rose from 20.37% (1 October 2022) to 26.05% at the end of the financial year (30 September 2023).

The market value of all the properties as at 30 September 2023 amounted to CHF 2532.9 million. The average discount rate for the overall portfolio (incl. purchasing portfolio) was 2.63% (net, real) with a range of between 2.15% and 3.70%.

Overall performance

The total return in the 2022/2023 financial year was -2.71%. This includes the performance of the exchange price and the profit distribution for the previous year (CHF 2.60 per unit). Over the same period, the listed Swiss real estate funds posted a total return of 1.95% (SXI Real Estate® Funds Broad TR, SWIIT).

The performance since the launch of the fund in November 2015 is 5.49% p.a. and that of the listed market as a whole is 3.67% (see Total return since launch chart).

Portfolio management activities

Letting

The occupancy rate increased again compared with the previous year. From a starting point of 97.7%, it rose to 98.4% over the 2022/2023 financial year. The good rental situation was due, among other things, to the high location quality of the properties and targeted efforts at the asset management, property management and marketing levels. The good rental situation was also supported by an advantageous situation on the property markets, particularly for rental apartments. Record immigration to Switzerland and a declining rate of new residential construction led to fewer vacancies and rising asking rents (also see the “Rental apartment market” section).

During the financial year, the largest tenant to date – a fashion shop at Marktgasse 22 in Bern – extended its lease for a further five years until 2028. The contract was concluded at a lower rent than before, but in the market rent range as estimated by the appraiser. As at 30 September 2023, this net rent amounted to 1.0% of total rental income.

Vacancy rates for most of the residential properties were very low. There were no apartment buildings with vacancies above 10% during the financial year. Only three residential buildings had vacancies of between 5 and 10%.

In terms of commercial space, there were only two properties with notable vacancies throughout the financial year. Tenants have not yet been found for the majority of the office space in the newly built mixed-use main building “Gotthardstrasse 1/3” at Brunnen station. The property vacancy rate over the financial year was around 17%. The residential and retail use units were already fully let when they opened in spring 2022.

The marketing of the vacant office space at the commercial property “Lindenhofstrasse 1” at Worblaufen station near Bern was also challenging. The average property vacancy rate during the financial year was around 15%. Investments were made during the financial year to fit out a model floor.

Investments

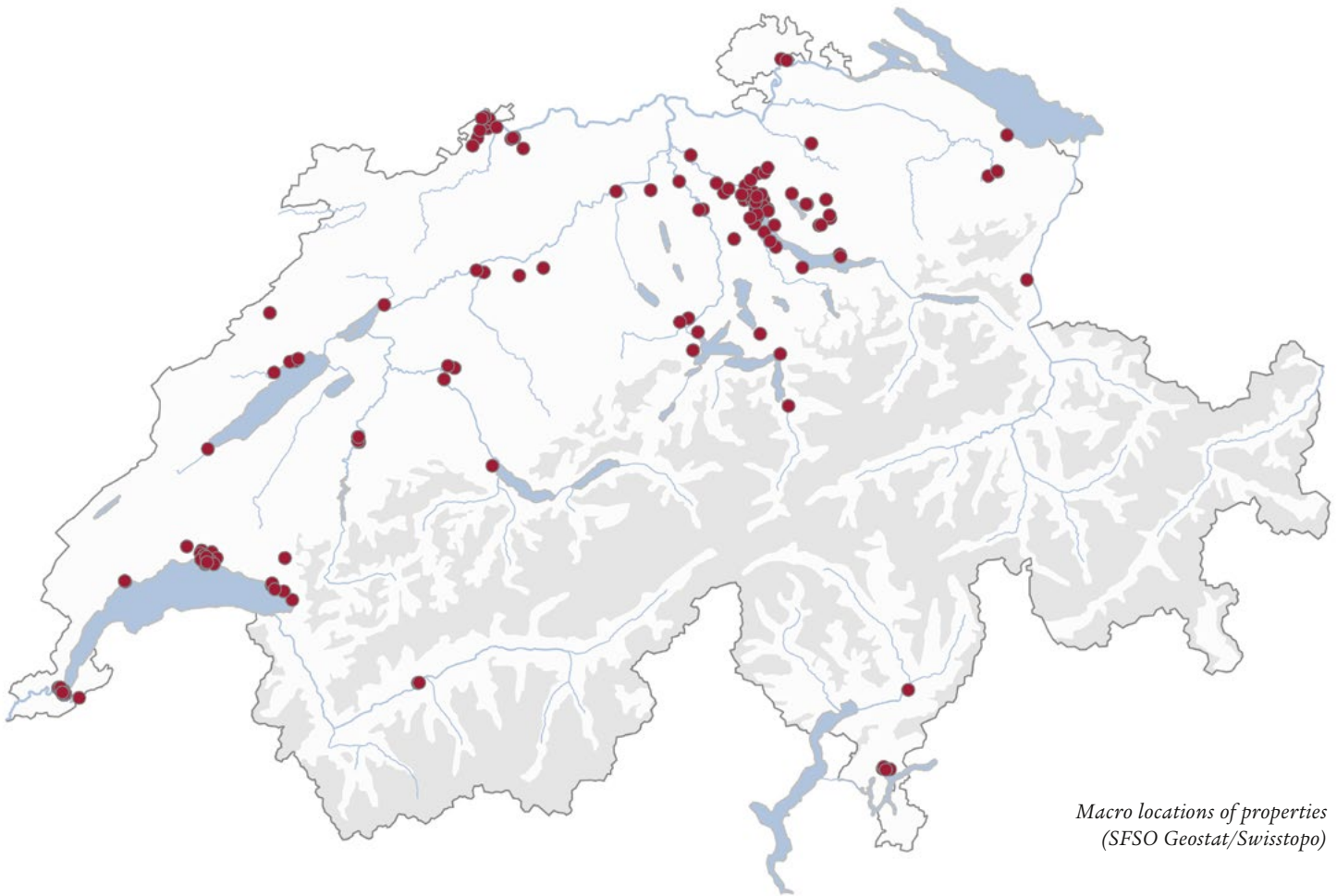
A total of CHF 10.35 million was invested in construction projects in the 2022/2023 financial year, of which CHF 7.05 million was attributable to value-adding investments (68.1%). The remaining CHF 3.30 million (31.9%) was charged as a value-conserving investments item (repairs) in the statement of income. Investments were mainly distributed among the following projects:

The full refurbishment and additional storey in the two residential buildings at Triemlistrasse 153/155 in Zurich was completed in January 2023 (investments of around CHF 2.53 million in the financial year, overall project CHF 6.48 million).

The 22 apartments with one to three rooms and three commercial studios were let shortly after completion of the project. The rental income was more than doubled thanks to the full refurbishment and the creation of four additional two-room apartments.

At Wiesenstrasse 8/10 in Zurich, office units were refurbished and fitted with cooling ceilings (CHF 1.39 million in the financial year). Thanks to the new space quality, the units were let at higher conditions than before.

At the “Hardstrasse 1/1a” residential property in Lenzburg, the balconies had to be statically upgraded (CHF 0.55 million). In addition, the complete renovation of the apartment building “Route de St.-Légier 10/10a” in Vevey started towards the end of the financial year (CHF 0.52 million), in which 16 apartments overlooking Lake Geneva are to be fully renovated. Other relevant investments were made in the following residential properties: Châtel-Saint-Denis, Route de Vevey 115 (CHF 0.44 million; connection to district heating, replacement of windows, facade refurbishment); Lugano-Viganello, Via Luigi Taddei 9/11 (CHF 0.39 million; connection to district heating, replacement of windows); Fribourg, Rue Jacques-Vogt 2 (CHF 0.34 million; completion of interior refurbishment).



Sales and purchases

At the end of November 2022, a portfolio with five smaller residential properties was sold to an institutional investor. The total market value of these properties at the time was CHF 31.6 million, and the net selling price was set at CHF 34.2 million. After deduction of real estate transfer costs, taxes and fees, a realised gain of around CHF 3.8 million was booked in the income statement (based on historical acquisition costs). The five residential properties comprised 106 apartments on 7845 m² of rental space and were located in St. Gallen, Emmenbrücke, Glarus, Oftringen and Martigny. They had limited market rental potential and would have entered a renovation cycle in the medium term.

On 15 December 2022, the fund acquired a high-quality real estate portfolio from Swiss Life Ltd. It comprised 15 properties with a market value at the time of around CHF 241.7 million, which also corresponded to the purchase price (valuation by Wüest Partner AG with a market conformity review by Jones Lang LaSalle AG). The market values were distributed over the economically strong regions of Zurich (44%), Lake Geneva (20%) and Western (22%) and North-western Switzerland (13%). Two thirds of the rental income at the time of acquisition came from residential use. The portfolio has long-term rental income potential and, thanks to its good locations and high residential component, fits well into the overall portfolio. The purchase was financed by mortgages and fixed advances.

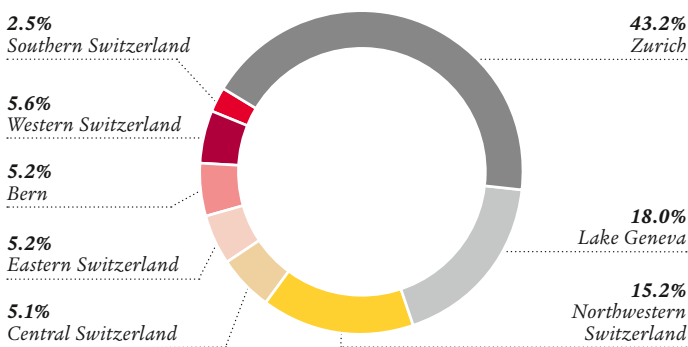
Real estate portfolio as at 30/09/2023

At a glance

The ESG Swiss Properties fund has a real estate portfolio diversified across Switzerland with a total of 161 properties at the end of the financial year. The total market value of the portfolio amounted to CHF 2 532 898 000 as at 30 September 2023. The average value per property was CHF 15 732 286. The “Wiesenstrasse 8/10” office and residential property in Zurich still has the highest market value for an individual property at CHF 65 600 000 and a share of 2.6%.

Locations

The geographical portfolio strategy of the ESG Swiss Properties fund is geared to the strength of the main Swiss business locations. The greatest value share of the fund’s properties as at 30 September 2023 was accordingly located in the major Swiss cities of Zurich, Basel, Bern, Lausanne and Geneva (see map). Other significant real estate assets are located in medium-sized towns and cities, such as Fribourg, Aarau, Schaffhausen, Rapperswil and Wetzikon. The remaining properties are in suburbs and small centres.



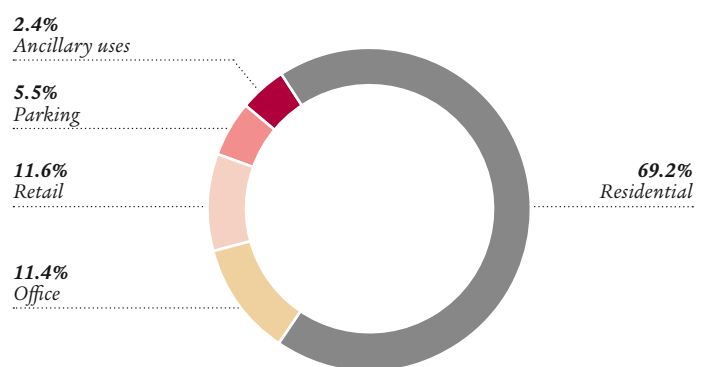
Distribution of real estate assets by real estate region (Wüest Partner AG)

Based on the real estate market regions of Wüest Partner, the Zurich economic region comprised the largest share of property values at 43.2% (see chart: Distribution of real estate values by real estate market region). The Lake Geneva region comprising the cities of Geneva, Lausanne, Vevey and Thônex accounted for 18.0%.

The Northwest Switzerland region, which comprises locations ranging from Basel, Oberwil and Therwil to Aarau, accounted for 15.2% of the market value.

Usages

The ESG Swiss Properties fund was broadly diversified in terms of property uses at the end of the financial year. As at 30 September 2023, 69.2% of target net rents were generated from residential use (see chart: Distribution of rental income by use), 11.4% from office space and 11.6% from commercial use. The rest was attributable to ancillary uses and parking spaces.



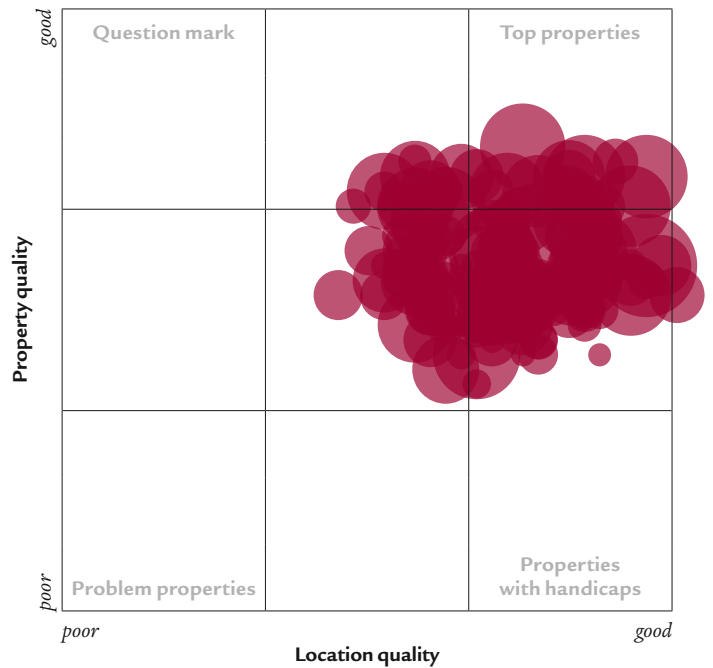
Distribution of rental income by property use (Wüest Partner AG)

Portfolio matrix: location and property qualities

The location and property qualities of the real estate portfolio are summarised in the enclosed portfolio matrix. The quality co-efficient provided by Wüest Partner AG came to 3.7 for the fund portfolio as at 30 September 2023, on a scale of 1 to 5 (1 = very poor, 5 = very good), which means that, across Switzerland, the portfolio boasted good to very good quality.

The co-efficients for macro and micro location, summarised as “location quality”, performed well with an average of 4.5 and 3.6 respectively.

The average values for the usability, standard, state and market attractiveness of the buildings (summarised under “property quality”) all came to 3.4. The top right position of the properties in the portfolio matrix is a function of said location and property qualities.



Portfolio matrix: size of circle corresponds to market values. (Wüest Partner AG)

Economic environment and real estate markets

Economic environment

The Swiss economy was in good shape at the start of the financial year that began on 1 October 2022. There was a slight slowdown in the course of 2023 in line with the global trend. However, the feared (energy) shortage failed to materialise, nor was there an actual recession. Instead, a favourable labour market situation, high positive net migration and continued strong consumption prevailed – all of which generated positive momentum for the rental markets. In marked contrast to most other developed economies, there was significantly less risk of recession at the end of the financial year for Switzerland. Swiss Life Asset Managers estimates the development of gross domestic product for 2023 at plus 0.7%.

The Swiss National Bank raised key interest rates three times in the 2022/2023 financial year by a total of 1.25 percentage points to 1.75%. The changed interest rate environment had an impact during the financial year on both the construction industry and consumer prices.

Inflation in the business period remained at 1.7% (previous year 3.2%; September to September) and was thus within the target range for maintaining price stability. The decline in inflation was driven by the strengthening of the Swiss franc and partly administered prices in Switzerland. Although the inflation rate thus remained high by Swiss standards, the loss of purchasing power for the average household was much less pronounced than in the rest of Europe.

The increase in mortgage interest rates caused the average mortgage interest rate to rise, so that on 1 June 2023 the reference interest rate for rental agreements also rose for the first time since its introduction in 2008. Yields on 10-year Swiss Confederation bonds were around one percent at the beginning and end of the financial year. Peaks of 1.5% were reached in the middle of the financial year.

Real estate investments

Demand for investment properties declined in the 2022/2023 financial year due to higher interest rates and general uncertainty among investors. The transaction volume in Switzerland (according to Real Capital Analytics) fell by 14% year-on-year by the end of the second quarter. As a result, demand for investment properties has been more subdued, and there have been slight market value corrections. The latest available key return figures on transactions showed prime net initial yields of 1.35% (Zurich residential) to 2.95% (retail space in Basel). Prime yields have thus increased by 20 to 30 basis points since their low point in 2022 (Wüest Partner AG).

Rental apartment market

The average vacancy rate fell across Switzerland from 1.31% to 1.15% between 2022 and 2023. The vacancy rate thus declined for the third year in a row owing to excess demand caused by lower housing construction and high immigration. During the year under review, the moving annual total of the immigrant (foreign) resident population rose to over 100 000 persons, and was thus around 50% above the average for the past eight years at the end of August 2023. In contrast, the number of approved apartments was the lowest it had been in around 20 years.

The upward pressure on residential rents thus continued, particularly in the major centres. The Homegate rental price index recorded a 3.9% increase across Switzerland as at August 2023 compared to the previous year. Increases of between 2.4% and 10.2% were recorded in the cities of Zurich, Geneva, Basel, Lausanne and Bern. At the same time, the reference mortgage interest rate rose to 1.50% on 1 June 2023, enabling an increase in rents for existing contracts to 1.25%. Swiss Life Asset Managers is



expecting two further increments by the end of the next business period, i.e. by the end of September 2024.

Commercial property market

The 2022/2023 financial year remained shaped by a polarisation among commercial properties. While top locations showed stable demand for space, there was some pressure on rents at more discerning locations.

Switzerland had an average availability rate in the year under review of 6.9% up to the end of the second quarter of 2023, which was below the long-term average of 7.7%. Over the same period, the centres averaged a lower availability rate of 5.9%, while Geneva was well above the national average and the other centres with a rate of 9.7%. Demand for space was supported by the continuing momentum of the employment situation. In the tertiary sector (services), employment increased by 2.2% or around 93 000 jobs as per the second quarter of 2023. Overall, office space take-up decreased slightly and was at pre-pandemic levels at the end of the financial year.

ESG report




This report summarises the key elements of the ESG management approach and the main ESG performance results for Swiss Life REF (CH) ESG Swiss Properties.

ESG management approach

The ESG management approach for the Swiss Life REF (CH) ESG Swiss Properties real estate fund comprises the integration of a thematically broad and continuously updated list of qualitative ESG criteria at the three value creation stages of investment, development and management (*ESG integration approach*). When making investments, a systematic, uniform ESG assessment for all properties is carried out as an integral part of the due diligence process. In construction and development projects, specially developed sustainability building standards are applied.

These include minimum energy requirements and guidelines for the targeted application of construction labels such as DGNB, SNBS and Minergie. ESG aspects are safeguarded in the existing portfolio through corresponding management standards.

Beyond this qualitative ESG integration approach, Swiss Life REF (CH) ESG Swiss Properties pursues specifically measurable objectives and requirements for the *ESG focus aspects* identified as particularly significant:

<p>E </p>	<p>Environment: reduction of climate impacts</p>	<ul style="list-style-type: none"> • Monitoring and improving the energy and CO₂ efficiency of the real estate portfolio • Systematic, CO₂-related optimisation of the existing portfolio (prioritisation of optimisation measures, energy-related operational optimisations) • CO₂-efficient renovation and new construction projects
<p>S </p>	<p>Social: health and wellbeing</p>	<ul style="list-style-type: none"> • Active stewardship by systematically recording and analysing tenant needs
<p>G </p>	<p>Governance: transparency and compliance</p>	<ul style="list-style-type: none"> • Transparency towards stakeholders in the form of periodic reporting on investment decisions and the fulfilment of sustainability goals • Membership and annual participation in GRESB

Modelling of CO₂ reduction path

The aim is for the Swiss Life REF (CH) ESG Swiss Properties real estate portfolio to comply with a CO₂ reduction path (measured in kg CO₂e/m²) corresponding to the 1.5 degree target in the Paris Agreement.

Swiss Life Asset Managers has developed a management tool to plan and review this process. This tool compares the fund's carbon intensity and a planned path based on the investment planning with a science-based 1.5 degree target path. The carbon intensity of the fund (portfolio, red line) refers to operating energy. Emissions from heat and general elec-

tricity (scope 1 and scope 2) as well as emissions by tenants (scope 3.13) are taken into account. Only properties that have been held in the portfolio for 12 months are considered when calculating the carbon intensity (excluding transactions and construction projects). Gaps in the data for measured energy consumption are filled with conservative estimates.

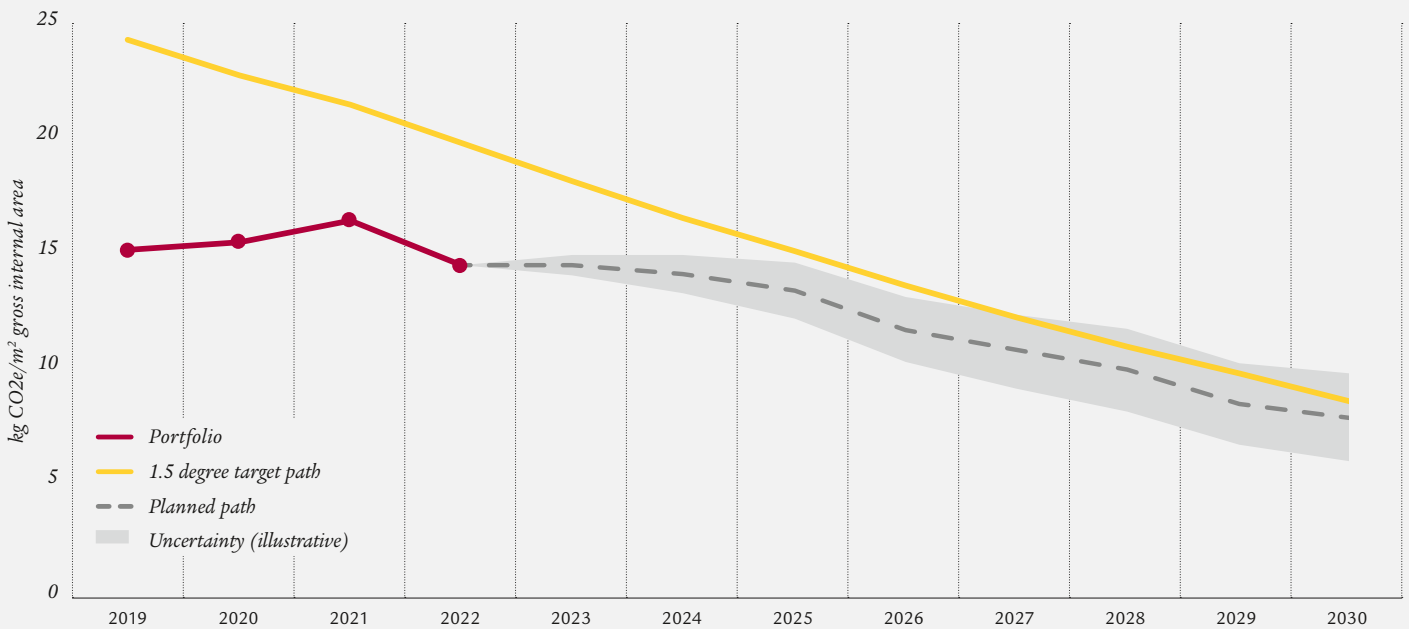
The figures are shown on a non-climate-corrected basis. The 1.5 degree target path (yellow line) is based on the internationally recognised Carbon Risk Real Estate Monitor

(CRREM). CRREM breaks down global emission budgets at country level and by property use types; this helps determine portfolio-specific greenhouse gas efficiency targets in line with the latest science. The 1.5 degree target path depends on the portfolio’s mix of uses and may shift over time. In addition, the 1.5 degree target path can be changed or tightened if the global emissions budget is exceeded.

The planned path (grey line) shows how much CO₂ can be saved by implementing the investment plan. Swiss Life Asset Managers has developed a rule-based model which is used to determine the planned path. The model takes into account both the improvement of energy efficiency through measures related to the building shell as well as changes to the energy mix due to the replacement of heating systems. However, the impact of any carbon reduction across the electricity and district heating networks is not modelled. When interpreting the results, care should be taken to ensure that the planned

path is based on a model calculation. The actual savings resulting from the implementation of the planned measures may differ from the projected savings. It may also be the case that measures might not be implemented as planned for technical, legal or economic reasons.

Swiss Life Asset Managers uses the management tool to bring the decarbonisation of the real estate fund in line with the Paris Agreement and so ensure the value of the portfolio is preserved and that it is protected from regulatory requirements.



CO₂ reduction path (scope 1, scope 2, scope 3.13)^a

^a The calculations of the portfolio’s carbon intensity and the target path are based on the CRREM methodology. This differs from the REIDA methodology, which is used to calculate environment-related key figures. The CRREM methodology is available at: <https://www.crrem.eu>

ESG focus aspects: measurements and targets

30/09/2023

Environment: reduction of climate impacts

Systematic CO₂-related optimisation of the existing portfolio

Portfolio coverage with regard to CO ₂ -related prioritisation value ^a	70.4%
Number of energy-related operational optimisations (e.g. optimisation of existing building services systems as part of ongoing maintenance) launched since 2019 ^b	17
<i>CO₂-efficient renovation and new construction projects</i>	
Average reduction in the CO ₂ intensity of buildings as part of comprehensive renovations (min. -50% as per fund prospectus) ^c	-51.6% ^d
Use of renewable energy sources in replacement and new buildings (i.e. no oil or gas heating)	- ^e

Social: improving health and wellbeing

Monitoring of tenant satisfaction

Proportion of apartment tenants surveyed about their satisfaction during the financial year (min. 30% as per fund prospectus)	34%
Proportion of business tenants surveyed about their satisfaction during the financial year (min. 15% as per fund prospectus)	25%

Governance: transparency and compliance

Benchmarking

Participation in the 2023 GRESB Real Estate Assessment	✓
GRESB Real Estate Assessment 2022 – rating	☆☆☆☆
GRESB Real Estate Assessment 2022 – score	83
Participation in the 2023 REIDA CO ₂ benchmark	✓

Building certifications

Proportion of properties with building certifications as a percentage of gross floor area	16.0%
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^a The CO₂-related prioritisation value is calculated from the input factors energy intensity, CO₂-intensity of the energy mix and size of property. The indicator serves to assess the CO₂-related savings potential per property and to derive a systematic prioritisation for optimisation measures. The portfolio coverage ratio refers to the gross floor area of the portfolio and depends on the availability of energy data (data coverage).

^b The energy-related operational optimisations are carried out in cooperation with an external partner and aim to reduce energy consumption and CO₂ emissions by an average of 10% per optimised property.

^c In the case of comprehensive renovations, at least three building components are renovated, at least one of which concerns the building shell or technology. The average reduction in CO₂ intensity is based on forecasts by external specialist planners or in-house construction project and building technology specialists, and refers to the total energy requirement per m² of the energy reference area. The average reduction in the CO₂-intensity of the comprehensive renovations started during the financial year is reported.

^d Complete renovation and installation of photovoltaic system at Route de Saint-Légier 10, 1800 Vevey.

^e No new construction projects were started during the financial year.

Environment-related key figures

		01/01/2022–31/12/2022	01/01/2021–31/12/2021
Coverage ratio			
Total area of completed buildings	m ² ERA	411 094	364 890
Relevant area of completed buildings	m ² ERA	357 904	347 578
Coverage ratio	ERA %	87.1	95.3
Total area of completed buildings	m ² ERA	340 923	302 922
Relevant area of completed buildings	m ² ERA	296 434	288 282
Coverage ratio	% lettable space	87.0	95.2
Energy consumption and intensity			
Energy consumption	MWh/a	37 059	37 660
Energy intensity	kWh/m ² ERA	103.5	108.3
Energy intensity	kWh/m ² lettable space	125.0	130.6
Energy mix (% of energy consumption)			
<i>Fuels</i>		28 391 (76.6%)	28 481 (75.6%)
Heating oil	MWh/a (%)	6 821 (18.4%)	7 008 (18.6%)
Heating gas	MWh/a (%)	21 249 (57.3%)	21 164 (56.2%)
Biomass	MWh/a (%)	321 (0.9%)	310 (0.8%)
<i>Heat</i>		5 445 (14.7%)	5 994 (15.9%)
Local and district heating	MWh/a (%)	4 094 (11.0%)	5 265 (14.0%)
Environmental heat	MWh/a (%)	1 350 (3.6%)	730 (1.9%)
<i>Electricity</i>		3 224 (8.7%)	3 185 (8.5%)
Electricity for heat/heat pump	MWh/a (%)	540 (1.5%)	292 (0.8%)
Electricity: general	MWh/a (%)	2 684 (7.2%)	2 893 (7.7%)
<i>Share of renewable energy</i>	MWh/a (%)	6 335 (17.1%)	6 269 (16.6%)
<i>Share of fossil fuels</i>	MWh/a (%)	29 989 (80.9%)	30 623 (81.3%)
<i>Share of fossil energy</i>	MWh/a (%)	3 168 (8.5%)	3 067 (8.1%)
Greenhouse gas emissions and intensity			
Greenhouse gas emissions	tCO ₂ e/a	6 054	6 201
Greenhouse gas emissions	kg CO ₂ e/m ² ERA	16.9	17.8
Greenhouse gas intensity	kg CO ₂ e/m ² lettable space	20.4	21.5
Greenhouse gas emissions by GHG scopes			
<i>Scope 1</i>		5 592 (92.4%)	5 623 (90.7%)
Heating oil	tCO ₂ e/a (%)	1 717 (28.4%)	1 764 (28.5%)
Heating gas	tCO ₂ e/a (%)	3 874 (64.0%)	3 858 (62.2%)
Biomass	tCO ₂ e/a (%)	1 (0.0%)	1 (0.0%)
<i>Scope 2</i>		462 (7.6%)	577 (9.3%)
Local and district heating	tCO ₂ e/a (%)	177 (2.9%)	228 (3.7%)
Anergy emissions	tCO ₂ e/a (%)	243 (4.0%)	308 (5.0%)
Electricity for heat/heat pump	tCO ₂ e/a (%)	7 (0.1%)	4 (0.1%)
Electricity: general	tCO ₂ e/a (%)	35 (0.6%)	38 (0.6%)

The environment-related key figures were calculated by REIDA based on its underlying methodology as part of the CO₂ benchmarking process and have been verified by Swiss Life Asset Managers. The underlying methodology can be found at <https://www.reida.ch/index.php/co2-benchmark> (only available in German).

Statement of net assets

Statement of net assets	30/09/2023	30/09/2022
	CHF	CHF
Assets		
Cash on hand, post office and bank sight deposits, including fiduciary deposits with third-party banks	3 752 748.88	49 222 856.52
<i>Real estate</i>		
Residential property	1 685 156 000.00	1 587 883 000.00
Commercial property	573 336 000.00	502 423 000.00
Mixed-use property	274 406 000.00	254 560 000.00
Building land, incl. properties for demolition and buildings under construction	0.00	0.00
Total real estate	2 532 898 000.00	2 344 866 000.00
Other assets	11 116 275.60	11 012 252.61
Total fund assets	2 547 767 024.48	2 405 101 109.13
Liabilities		
<i>Short-term liabilities</i>		
Short-term interest-bearing mortgages and other liabilities secured by mortgage	324 950 000.00	285 593 000.00
Other short-term liabilities	26 114 789.74	36 249 337.60
Total short-term liabilities	351 064 789.74	321 842 337.60
<i>Long-term liabilities</i>		
Long-term interest-bearing mortgages and other liabilities secured by mortgage	334 990 000.00	192 140 000.00
Total long-term liabilities	334 990 000.00	192 140 000.00
Total liabilities	686 054 789.74	513 982 337.60
Net fund assets before estimated liquidation taxes	1 861 712 234.74	1 891 118 771.53
Estimated liquidation taxes	19 248 200.00	18 411 500.00
Net fund assets	1 842 464 034.74	1 872 707 271.53
Units		
	30/09/2023	30/09/2022
Number of units in circulation at the beginning of the reporting period	16 200 000.00	13 500 000.00
Issued	0.00	2 700 000.00
Redeemed	0.00	0
Number of units in circulation at the end of the reporting period	16 200 000.00	16 200 000.00
Net asset value per unit in CHF at the end of the reporting period	113.73	115.60
Change in net fund assets		
	01/10/2022–30/09/2023	01/10/2021–30/09/2022
	CHF	CHF
Net fund assets at the beginning of the reporting period	1 872 707 271.53	1 530 301 489.51
Distributions	–42 120 000.00	–35 100 000.00
Balance from unit transactions excl. equalisation on the issue of units/ payment of current income on the redemption of units	0.00	299 133 000.00
Total net income	11 876 763.21	78 372 782.02
Balance allocation/withdrawal provisions for future repairs	0.00	0.00
Net fund assets at the end of the reporting period	1 842 464 034.74	1 872 707 271.53

Pully,
Chemin de Somais 38/40/42



Statement of income

Statement of income	01/10/2022–30/09/2023	01/10/2021–30/09/2022
	CHF	CHF
Income		
Rental income (gross income received) ¹	92 720 938.88	83 926 379.21
Income from bank and postal check deposits	37 681.95	0.00
Other income	1 231.70	1 051.55
Current net income paid in on issued units	0.00	1 296 000.00
Total income	92 759 852.53	85 223 430.76
Expenses		
Mortgage interest and interest from liabilities secured by mortgage	7 987 163.80	1 939 616.56
Other interest due	21.10	0.00
Negative interest	25 161.41	13 881.90
Remuneration for building rights	349 999.80	349 999.80
<i>Maintenance and repairs</i>		
Maintenance	7 431 190.54	6 450 880.13
Repairs	3 302 908.00	4 866 070.42
<i>Property management</i>		
Property expenses	3 403 676.18	3 036 792.03
Administrative expenses	419 634.17	76 240.68
<i>Taxes and levies</i>		
Property taxes	1 451 854.68	1 074 962.72
Taxes on corporate income and capital	5 428 302.13	11 356 779.33
Appraisals and auditing expenses	267 962.00	278 241.43
<i>Provisions for future repairs</i>		
Allocation	0.00	0.00
Withdrawal	0.00	0.00
<i>Remunerations to the following in accordance with the fund regulation:</i>		
the fund management company	14 946 120.29	14 321 348.02
the custodian bank	40 000.00	40 000.00
the property management	3 531 914.65	3 202 220.25
Other expenses	126 865.06	210 570.79
Current net income paid out on redeemed units	0.00	0.00
Total expenses	48 712 773.81	47 217 604.06
Net income	44 047 078.72	38 005 826.70
Realised capital gains and losses	3 817 249.49	14 159 729.09
Realised net income	47 864 328.21	52 165 555.79
Unrealised capital gains and losses	-35 150 865.00	30 784 726.23
Liquidation taxes	-836 700.00	-4 577 500.00
Total net income	11 876 763.21	78 372 782.02

¹ The difference of CHF 235 814 compared to the rental income from the "Schedule of properties" (page 26) is due to property sales.

	01/10/2022–30/09/2023	01/10/2021–30/09/2022
	CHF	CHF
Appropriation of net income		
Net income of reporting period	44 047 078.72	38 005 826.70
Carried forward from the previous year	45 865.89	110 039.19
Income available for distribution	44 092 944.61	38 115 865.89
Income earmarked for distribution to investors	42 120 000.00	38 070 000.00
Income retained for reinvestment	0.00	0.00
Balance carried forward to new account	1 972 944.61	45 865.89

	01/10/2022–30/09/2023	01/10/2021–30/09/2022
	CHF	CHF
Use of capital gain		
Capital gains from accounting period	3 817 249.49	14 159 729.09
Capital gains from previous accounting years	10 445 764.59	336 035.50
Capital gains available for distribution	14 263 014.08	14 495 764.59
Capital gains intended for distribution to investors	0.00	4 050 000.00
Balance carried forward to new account	14 263 014.08	10 445 764.59

	01/10/2022–30/09/2023	01/10/2021–30/09/2022
	CHF	CHF
Distribution of income		
<i>Distribution date 27/11/2023, payment date 29/11/2023</i>	2.60	2.60
Distribution per unit to investors		
Net amount	2.60	2.60

Notes

Information on balance sheet and redeemed units

		30/09/2023	30/09/2022
Balance of depreciation account for land and buildings	CHF	0.00	0.00
Balance of provisions account for future repairs	CHF	0.00	0.00
Balance of account for income retained for reinvestment	CHF	0.00	0.00
Number of units scheduled for redemption at the end of the next accounting year		0	0

Information on derivatives

None.

Information concerning soft commission agreements

The fund management company has neither concluded agreements in respect of commission sharing nor other agreements concerning retrocessions in the form of so-called “soft commissions”.

Principles for the assessment and calculation of net asset value

In accordance with §16 of the fund contract (“Calculation of net asset value and involvement of valuation experts”), the net asset value of the real estate fund is calculated in Swiss francs at market value at the end of the accounting year and at each issue of units. No revaluation of real estate investments or market indication was carried out on the balance sheet date of 31 March 2023.

The net asset value of a unit is derived from the market value of the fund assets, less any liabilities of the investment fund and any taxes likely to be incurred in the liquidation of the fund assets, divided by the number of units in circulation.

In accordance with Art. 88, cl. 2 CISA, Art. 92 and 93 CISO as well as the AMAS guidelines for real estate funds, the fund’s properties are regularly appraised by independent valuation experts, accredited with the supervisory authority, using a dynamic discounted cash-flow method, or DCF. The assessment is done at the price that would be likely to be achieved by a considered sale at the time of the appraisal. Upon acquisition or disposal of properties among the fund assets and at the closing of books each year, the market value of properties among the fund assets must be reviewed by the valuation experts.

The market value of individual properties constitutes the price that would likely be achieved in an ordinary business transaction and assuming a considered purchase and sale process. In individual cases, especially upon the purchase and sale of fund properties, any opportunities arising in the interest of the fund are exploited to best possible advantage, which may lead to deviations from the assessments.

Fees and incidental costs

	01/10/2022–30/09/2023		01/10/2021–30/09/2022	
	Maximum	Actual	Maximum	Actual
Fees in favour of the fund management company				
Annual commission for the administration, asset management and distribution of the real estate fund (as % of the fund's total assets)	1.00%	0.59%	1.00%	0.62%
Commission for efforts and costs in connection with the construction of buildings, renovations and conversions (as % of building costs)	3.00%	3.00%	3.00%	3.00%
Commission for efforts and costs in connection with the management of individual properties (as % of annual rental income)	5.00%	3.80%	5.00%	3.81%
Commission for efforts and costs in connection with the purchase and sale of properties (as % of the purchase or sale price as long as no third party has been commissioned with this)	2.00%	1.50%	2.00%	1.50%
Issuing commission (as % of the net asset value of the newly issued units)	5.00%	–	5.00%	2.00%
Redemption commission (as % of the net asset value of the redeemed units)	1.50%	–	1.50%	0.00%
Fees in favour of the custodian bank				
Annual commission for the safekeeping of the fund assets, the handling of payment transactions of the real estate fund and the other tasks of the custodian bank as set out in § 4 of the fund contract (as % of the fund's total assets)	0.10%	0.01%	0.10%	0.01%
Commission for the distribution of the annual income to the investors	0.50%	0.00%	0.50%	0.00%

Total amount of contractual payment obligations after the balance sheet date for property purchases, construction orders and investments in properties

There are currently no contractual payment obligations for property purchases, construction orders and investments in properties.

Restrictions on sale in the USA

Units of this investment fund may not be offered, sold or delivered within the United States. Units of this investment fund may not be offered, sold or delivered to citizens of the USA or persons resident in the USA and/or other natural persons or legal entities whose income and/or earnings, regardless of their origin, are liable to US income tax, as well as persons deemed US persons in accordance with the latest version of Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act.

Further information can be found under *Highlights, Schedule of properties and Mortgages, fixed advances, loans and credits*.

Schedule of properties

Place	Address	Type of ownership	Purchase price CHF	Market value CHF	Target rental income ^{1,2} CHF	Rental loss ^{1,3} CHF
Residential buildings						
Adliswil	Grundstrasse 11/11a/13	Wholly owned	8 039 124	9 660 000	374 036	-150
Affoltern am Albis	Pfruendhofstrasse 44-62	Wholly owned	32 645 789	35 430 000	1 218 586	1 008
Altdorf UR	Bahnhofstrasse 37	Wholly owned	3 753 798	3 996 000	182 880	1 560
Arbon	Brühlstrasse 87a-d	Wholly owned	7 765 340	7 129 000	288 960	9 750
Basel	Münchensteinerstrasse 116	Wholly owned	8 447 993	10 660 000	363 182	27 688
Basel	Rosentalstrasse 29	Wholly owned	4 601 000	4 440 000	190 928	6 500
Basel	Vogesenstrasse 31/31a/33	Wholly owned	21 053 686	21 120 000	754 300	4 607
Basel	Zähringerstrasse 18	Wholly owned	4 736 113	4 860 000	185 235	-150
Bellinzona	Via Antonio Arcioni 5/5a	Wholly owned	4 262 178	4 108 000	191 832	15 585
Binningen	Hauptstrasse 115/117/119	Wholly owned	14 827 048	15 400 000	601 852	13 593
Birsfelden	Burenweg 17-25, Drosselstrasse 1-6	Wholly owned	23 415 350	22 970 000	830 539	5 871
Bremgarten AG	Sentenhübel 1/2/3/4	Wholly owned	10 869 980	10 960 000	465 292	1 385
Bremgarten AG	Wagenrainstrasse 19/21/23	Wholly owned	18 379 063	18 240 000	761 948	15 080
Bussigny	Rue de Lausanne 52a/b/c	Wholly owned	27 815 671	26 630 000	914 640	8 535
Châtel-Saint-Denis	Route de Vevey 115	Wholly owned	6 748 596	6 615 000	365 107	70
Clarens	Avenue des Brayères 1a/1b/1c	Wholly owned	12 370 813	12 460 000	532 779	565
Colombier NE	Chemin de Notre-Dame 18a/18b	Wholly owned	5 979 540	7 281 000	311 563	2 933
Derendingen	Schluchtbachstrasse 10/12/14	Wholly owned	18 031 988	17 660 000	755 078	3 323
Dietikon	Oetwilerstrasse 31	Wholly owned	2 814 636	2 709 000	69 094	0
Dietikon	Oetwilerstrasse 40/42	Wholly owned	5 015 903	5 006 000	133 741	140
Emmen	Than 1	Wholly owned	9 732 121	9 610 000	371 148	990
Emmenbrücke	Listrigstrasse 12/14	Wholly owned	18 089 371	17 490 000	809 399	9 185
Erlenbach ZH	Lerchenhalde 2/4/6	Wholly owned	36 689 180	35 350 000	1 153 813	14 552
Fribourg	Avenue du Midi 1	Wholly owned	14 296 880	14 280 000	743 916	1 227
Fribourg	General Guisan 34	Wholly owned	15 409 763	13 520 000	705 975	79 291
Fribourg	Route Sainte-Agnès 8 10	Wholly owned	29 935 007	28 790 000	1 034 879	3 852
Fribourg	Rue Jacques-Vogt 2	Wholly owned	5 108 328	6 398 000	200 141	3 329
Geneva	Chemin Surinam 4	Wholly owned	11 011 047	11 280 000	355 605	12 453
Geneva	Rue des Bains 50/52	Wholly owned	30 433 251	33 190 000	1 168 709	-62 367
Geneva	Rue du Jura 24	Wholly owned	6 983 861	6 823 000	182 892	-1 710
Geneva	Rue Lamartine 8/10	Wholly owned	32 497 131	31 630 000	1 101 057	9 682
Geneva	Rue Monnier 11	Wholly owned	8 911 045	12 060 000	376 344	63
Geneva	Rue Prévost-Martin 33	Wholly owned	7 998 814	8 669 000	221 677	-340
Glattbrugg	Gartenstrasse 7	Wholly owned	8 135 961	9 420 000	299 946	-1 850
Goldau	Harmettlenstrasse 7/9/11/13	Wholly owned	35 009 548	34 600 000	1 380 803	4 851
Gossau ZH	Im Grünenhof 19/21/23/25	Wholly owned	11 587 433	11 980 000	480 450	16 721
Gossau ZH	Unterhofen 1/2/3/4/5/7	Wholly owned	16 039 902	17 210 000	662 923	11 636
Herzogenbuchsee	Kappeliweg 20	Wholly owned	6 670 922	6 661 000	278 056	13 181
Horgen	Zugerstrasse 80/82	Wholly owned	3 961 156	5 107 000	184 017	-600

Rental loss ^{1,3} %	Rental income ¹ CHF	Apartments Number	Residential m ²	Offices/ practices m ²	Retail/ shops m ²	Other rental space m ²	Total rental space m ²	Parking spaces Number
-0.04%	374 186	28	1 877	0	0	0	1 877	6
0.08%	1 217 578	62	5 178	0	0	0	5 178	56
0.85%	181 320	12	913	0	0	0	913	14
3.37%	278 120	21	1 445	0	0	0	1 445	13
7.62%	335 494	17	1 381	121	0	158	1 660	0
3.40%	184 428	17	997	0	0	0	997	0
0.61%	749 693	53	3 306	0	0	0	3 306	43
-0.08%	185 385	15	920	0	34	32	986	1
8.12%	170 057	16	1 083	0	0	0	1 083	0
2.26%	588 259	42	2 674	0	160	26	2 859	20
0.71%	824 669	62	4 278	0	0	0	4 278	27
0.30%	463 907	32	2 438	0	0	3	2 440	24
1.98%	746 868	53	4 563	0	0	0	4 563	73
0.93%	906 105	50	2 868	0	0	0	2 868	39
0.02%	365 037	24	1 510	0	0	0	1 510	38
0.11%	532 214	50	3 121	0	0	0	3 121	22
0.94%	308 630	20	1 671	0	0	3	1 674	20
0.44%	751 754	53	3 681	0	0	0	3 681	74
0.00%	69 094	6	503	0	0	0	503	3
0.10%	133 601	13	893	0	0	0	893	4
0.27%	370 158	21	1 725	0	0	0	1 725	26
1.13%	800 214	60	4 599	0	0	0	4 599	59
1.26%	1 139 261	32	3 220	0	0	0	3 220	53
0.16%	742 689	56	3 359	0	367	0	3 726	3
11.23%	624 245	37	2 852	0	452	710	4 014	38
0.37%	1 031 027	103	6 560	0	0	389	6 949	92
1.66%	192 302	15	1 071	0	53	0	1 124	0
3.50%	343 152	11	1 001	0	0	0	1 001	6
-5.34%	1 231 076	30	3 201	0	572	0	3 773	16
-0.93%	184 602	11	543	0	0	0	543	0
0.88%	1 091 375	64	4 462	0	107	104	4 673	24
0.02%	376 281	18	1 367	0	0	0	1 367	0
-0.15%	222 017	21	1 338	0	0	0	1 338	0
-0.62%	301 796	23	1 498	0	0	0	1 498	24
0.35%	1 375 952	74	5 785	0	0	0	5 785	95
3.48%	462 208	33	2 507	0	0	0	2 507	30
1.76%	651 287	51	3 233	0	0	0	3 233	67
4.74%	264 875	18	1 377	0	0	0	1 377	19
-0.33%	184 617	12	745	0	0	0	745	0

Place	Address	Type of ownership	Purchase price CHF	Market value CHF	Target rental income ^{1,2} CHF	Rental loss ^{1,3} CHF
Horw	Brunnmattstrasse 10	Wholly owned	9 271 940	9 693 000	363 737	3 309
Horw	Brunnmattstrasse 18	Wholly owned	10 178 151	10 600 000	382 696	2 860
Ittigen	Talgut-Zentrum 10/12/38/40	Wholly owned	29 263 944	35 250 000	1 387 854	10 143
Jona	Meienfeldstrasse 4-82	Wholly owned	39 007 229	47 020 000	1 993 071	35 332
Kilchberg ZH	Stockenstrasse 39/41	Wholly owned	25 123 617	33 750 000	1 083 285	6 838
Kloten	Balsbergweg 9/11/13	Wholly owned	23 793 031	30 190 000	1 016 416	449
La Chaux-de-Fonds	Rue du Chalet 9/9a/11/11a	Wholly owned	8 779 326	8 309 000	417 609	4 408
La Tour-de-Peilz	Route de St-Maurice 143	Wholly owned	5 139 196	5 027 000	193 356	0
Langenthal	Melchnaustasse 8/10	Wholly owned	2 985 561	3 187 000	189 836	8 697
Lausanne	Avenue de Collonges 9	Wholly owned	8 889 199	9 070 000	437 693	1 415
Lausanne	Avenue de l'Avant-Poste 1	Wholly owned	6 546 850	6 964 000	257 667	0
Lausanne	Avenue de Mon-Loisir 10	Wholly owned	6 758 470	6 577 000	191 578	0
Lausanne	Avenue de Mon-Loisir 14/16	Wholly owned	11 084 670	10 710 000	330 523	2 493
Lausanne	Chemin de Contigny 9/13	Wholly owned	17 949 884	17 760 000	588 746	1 905
Lausanne	Chemin de Pierrefleur 70	Wholly owned	20 521 409	24 280 000	986 457	2 428
Lausanne	Chemin des Mouettes 8/10	Wholly owned	7 595 252	8 076 000	279 895	1 244
Lausanne	Route de Berne 16/18	Wholly owned	6 556 265	6 536 000	254 676	1 039
Lausanne	Rue Mathurin-Cordier 1	Wholly owned	7 880 652	8 546 000	348 004	1 733
Lausanne	Rue St-Roch 4	Wholly owned	6 773 492	6 875 000	281 623	-330
Lenzburg	Hardstrasse 1/1a	Wholly owned	24 086 002	25 330 000	1 002 099	11 426
Liestal	Erlenstrasse 1/5	Wholly owned	9 074 370	8 879 000	377 618	14 514
Lucerne	Haldenrain 7/9	Wholly owned	6 482 711	6 757 000	245 425	4 345
Massagno	Via Povrò 9	Wholly owned	4 463 241	4 559 000	217 065	3 294
Massagno	Via Tesserete 33	Wholly owned	7 656 960	7 375 000	327 388	9 105
Mellingen	Im Geerig 67/69/75/77	Wholly owned	22 762 770	22 370 000	913 290	3 268
Mont-sur-Rolle	Chemin du Levant 7/9/11	Wholly owned	9 686 354	9 730 000	414 113	1 106
Mont-sur-Rolle	Chemin du Rupalet 13/15	Wholly owned	12 012 641	11 880 000	506 816	-96 012
Neuchâtel	Avenue de Clos-Brochet 2/4	Wholly owned	15 326 208	14 620 000	510 329	6 316
Neuchâtel	Rue des Poudrières 69/71	Wholly owned	10 867 193	10 520 000	440 940	7
Nidau	Strandweg 5	Wholly owned	4 942 236	4 986 000	226 912	982
Oberrieden	Einsiedlerstrasse 1-9	Wholly owned	27 984 949	27 290 000	661 917	11 807
Oberwil	Stallenmattstrasse 2-14	Wholly owned	40 296 392	39 440 000	1 533 107	57 845
Pfäffikon ZH	Büelstrasse 24/26/28/30/32	Wholly owned	16 879 891	18 420 000	617 382	2 320
Pratteln	Farnsburgerstrasse 1/3	Wholly owned	5 921 503	7 075 000	292 346	2 175
Pratteln	St. Jakobstrasse 29, Esterlistrasse 20	Wholly owned	9 866 871	9 864 000	383 840	1 490
Pratteln	Unterer Rüttschetenweg 36/38/40/42	Wholly owned	10 146 671	10 620 000	432 963	3 296
Prilly	Route de Cossonay 1/1bis	Wholly owned	9 759 836	10 630 000	448 950	8 286
Pully	Chemin de la Fontanettaz 4/6/8	Wholly owned	5 662 932	5 642 000	256 980	5 280
Pully	Chemin de Somaïs 38/40/42	Wholly owned	8 445 895	8 403 000	333 399	40

Rental loss ^{1,3} %	Rental income ¹ CHF	Apartments Number	Residential m ²	Offices/ practices m ²	Retail/ shops m ²	Other rental space m ²	Total rental space m ²	Parking spaces Number
0.91%	360 428	24	1 783	0	0	0	1 783	23
0.75%	379 836	22	1 829	0	0	0	1 829	17
0.73%	1 377 711	63	5 708	0	324	0	6 033	71
1.77%	1 957 739	129	10 038	0	0	50	10 088	129
0.63%	1 076 448	64	4 553	0	0	0	4 553	72
0.04%	1 015 967	64	4 057	0	0	81	4 138	32
1.06%	413 202	40	3 242	0	0	0	3 242	38
0.00%	193 356	13	1 027	0	0	0	1 027	11
4.58%	180 207	14	1 036	0	138	84	1 258	6
0.32%	436 278	42	1 949	0	0	0	1 949	5
0.00%	257 667	16	993	0	0	0	993	0
0.00%	191 578	10	827	46	0	0	873	5
0.75%	328 030	22	1 475	0	84	0	1 559	7
0.32%	586 842	38	2 372	0	0	0	2 372	16
0.25%	984 029	60	4 622	0	0	0	4 622	57
0.44%	278 651	22	1 164	0	0	0	1 164	0
0.41%	253 637	18	1 040	0	0	20	1 060	6
0.50%	346 271	18	1 167	0	369	0	1 536	2
-0.12%	281 954	16	969	0	260	0	1 229	0
1.14%	990 673	62	4 340	0	0	0	4 340	70
3.84%	363 104	27	1 646	0	0	0	1 646	40
1.77%	241 080	14	1 250	0	0	0	1 250	16
1.52%	209 811	12	996	0	0	540	1 536	14
2.78%	318 283	14	1 476	0	0	0	1 476	23
0.36%	910 023	52	4 218	0	0	0	4 218	86
0.27%	413 007	28	2 150	0	0	5	2 155	42
-18.94%	602 828	16	1 756	0	0	0	1 756	40
1.24%	504 014	42	3 762	0	0	80	3 842	51
0.00%	440 933	23	1 860	0	0	26	1 885	28
0.43%	225 930	18	1 288	0	0	0	1 288	11
1.78%	650 110	54	3 861	0	0	0	3 861	45
3.77%	1 475 262	99	6 511	152	52	247	6 962	62
0.38%	615 062	51	3 228	0	0	0	3 228	49
0.74%	290 171	18	1 269	73	0	0	1 341	16
0.39%	382 350	28	1 710	0	0	0	1 710	27
0.76%	429 667	21	2 279	0	0	0	2 279	25
1.85%	440 663	36	2 074	0	0	0	2 074	21
2.05%	251 700	18	1 173	0	0	0	1 173	5
0.01%	333 359	25	1 743	0	0	0	1 743	15

Place	Address	Type of ownership	Purchase price CHF	Market value CHF	Target rental income ^{1,2} CHF	Rental loss ^{1,3} CHF
Rapperswil SG	Schulstrasse 9	Wholly owned	13 928 054	14 350 000	604 150	3 048
Richterswil	Im Langacher 8/10	Wholly owned	11 409 884	11 390 000	366 934	565
Savosa	Via Cantonale 12/12a/12b/12c	Wholly owned	14 309 647	14 520 000	649 950	24 514
Schaffhausen	Julierstrasse 3/5/7/9	Wholly owned	7 696 286	7 414 000	333 716	7 902
Schaffhausen	Zur Stahlgiesserei 1/2	Wholly owned	41 466 925	44 330 000	1 772 788	11 387
Schlieren	Dörnliackerstrasse 1/3/5, Freiestrasse 59/61/63/71/73/75	Wholly owned	27 318 728	27 410 000	897 922	2 284
Schwerzenbach	Einhardweg 2-10	Wholly owned	21 192 781	22 020 000	816 786	9 850
Sion	Rue du Chanoine-Berchtold 12/14	Wholly owned	7 378 932	7 428 000	360 243	1 683
St. Gallen	Ahornstrasse 29-37	Wholly owned	18 822 517	18 690 000	861 308	6 867
Territet-Veytaux	Avenue de Chillon 68	Wholly owned	7 322 234	7 830 000	358 374	3 220
Thalwil	Feldstrasse 20/22	Wholly owned	6 562 233	7 247 000	228 412	30
Therwil	Sundgauerstrasse 70-78	Wholly owned	31 462 286	30 220 000	982 758	17 143
Thônex	Chemin Curé Desclouds 23/25/27	Wholly owned	31 789 292	31 100 000	1 143 701	9 746
Thun	Dohlenweg 2/4/6/8/10/12/14/16	Wholly owned	16 718 365	16 990 000	733 445	8 817
Urdorf	Krummackerstrasse 12-26	Wholly owned	16 504 590	18 020 000	679 487	1 502
Uster	Gschwaderstrasse 13	Wholly owned	2 956 036	4 069 000	158 928	132
Uster	Winterthurerstrasse 32	Wholly owned	2 437 263	3 468 000	123 312	0
Vevey	Avenue de la Prairie 9bis	Wholly owned	3 349 793	3 704 000	167 280	0
Vevey	Rte de St-Légier 10/10a	Wholly owned	5 880 615	7 383 000	212 335	1 683
Viganello	Via Luigi Taddei 9/11	Wholly owned	11 357 953	13 310 000	520 118	4 597
Wetzikon ZH	Buchgrindelstrasse 1/3/5	Wholly owned	46 818 845	46 780 000	1 662 631	15 016
Wetzikon ZH	Guldislooweg 15/17	Wholly owned	5 800 267	6 174 000	234 824	3 286
Yverdon-les-Bains	Rue St-Georges 16	Wholly owned	7 885 679	7 963 000	354 742	0
Zollikon	Im Walder 27/29/31/33	Wholly owned	22 258 389	25 440 000	843 921	6 866
Zuchwil	Dreispietz 1/3/5/7	Wholly owned	14 055 600	14 620 000	751 930	15 571
Zurich	Badenerstrasse 361	Wholly owned	8 165 599	8 680 000	238 701	371
Zurich	Badenerstrasse 367	Wholly owned	8 619 574	9 162 000	240 080	-1 126
Zurich	Breitingerstrasse 16	Wholly owned	7 869 178	8 132 000	186 816	2 160
Zurich	Caspar Wüst-Strasse 44/46	Wholly owned	5 504 945	9 089 000	289 788	4 500
Zurich	Feldblumenweg 33/35	Wholly owned	10 450 979	10 440 000	294 384	2 235
Zurich	Feldblumenweg 37/39	Wholly owned	7 641 033	7 710 000	224 457	4 871
Zurich	Gladbachstrasse 59	Wholly owned	8 221 075	8 891 000	214 504	9
Zurich	Gladbachstrasse 71	Wholly owned	7 601 547	8 505 000	215 568	1 304
Zurich	Kilchbergstrasse 170/174/178	Wholly owned	14 551 011	15 280 000	407 700	0
Zurich	Klebestrasse 15/17/19	Wholly owned	21 325 557	21 950 000	672 266	6 853
Zurich	Pflanzschulstrasse 51	Wholly owned	8 496 055	11 090 000	315 658	120
Zurich	Riedenhaldenstrasse 18/20	Wholly owned	7 165 721	6 788 000	157 292	1 236
Zurich	Röntgenstrasse 72	Wholly owned	5 397 781	6 034 000	170 670	-410
Zurich	Seestrasse 47	Wholly owned	5 707 949	5 883 000	140 400	0
Zurich	Triemlistrasse 153/155	Wholly owned	12 624 363	21 440 000	442 211	7 929
Total residential buildings			1 602 523 650	1 685 156 000	62 361 399	552 644

Rental loss ^{1,3} %	Rental income ¹ CHF	Apartments Number	Residential m ²	Offices/ practices m ²	Retail/ shops m ²	Other rental space m ²	Total rental space m ²	Parking spaces Number
0.50%	601 103	37	2 950	0	0	10	2 960	49
0.15%	366 369	21	1 628	0	0	36	1 664	27
3.77%	615 996	39	2 893	40	0	175	3 108	42
2.37%	325 814	25	1 965	0	0	0	1 965	23
0.64%	1 759 139	82	7 039	0	0	321	7 360	83
0.25%	895 638	67	4 226	0	0	0	4 226	26
1.21%	806 936	49	3 907	0	0	0	3 907	64
0.47%	358 560	31	2 239	0	0	0	2 239	13
0.80%	854 441	73	4 680	0	0	0	4 680	47
0.90%	355 154	22	1 482	0	183	62	1 727	4
0.01%	228 382	15	997	0	0	0	997	11
1.74%	965 615	71	5 447	0	0	0	5 447	69
0.85%	1 133 955	50	4 100	0	0	0	4 100	56
1.20%	724 628	68	4 310	0	0	0	4 310	61
0.22%	677 985	50	3 220	0	0	0	3 220	27
0.08%	158 796	12	700	0	0	0	700	7
0.00%	123 312	11	648	0	0	0	648	3
0.00%	167 280	15	985	0	0	0	985	0
0.79%	210 652	20	1 471	0	0	0	1 471	20
0.88%	515 521	28	2 768	0	0	0	2 768	27
0.90%	1 647 615	106	9 144	0	0	0	9 144	125
1.40%	231 538	18	1 207	0	0	0	1 207	8
0.00%	354 742	24	1 643	0	0	0	1 643	0
0.81%	837 055	20	2 306	0	0	0	2 306	40
2.07%	736 359	60	3 832	0	0	0	3 832	53
0.16%	238 331	18	922	0	0	0	922	0
-0.47%	241 206	18	908	0	0	0	908	9
1.16%	184 656	11	696	0	0	0	696	7
1.55%	285 288	19	1 056	0	0	0	1 056	4
0.76%	292 149	18	1 262	0	0	0	1 262	12
2.17%	219 586	13	926	0	0	46	972	5
0.00%	214 496	7	860	0	0	0	860	4
0.60%	214 264	7	884	0	0	0	884	2
0.00%	407 700	22	1 603	0	0	0	1 603	9
1.02%	665 413	42	3 013	0	0	20	3 033	34
0.04%	315 538	12	601	0	0	0	601	4
0.79%	156 056	17	866	0	0	0	866	4
-0.24%	171 080	7	422	0	0	0	422	3
0.00%	140 400	7	507	0	0	0	507	0
1.79%	434 282	25	1 424	109	0	117	1 650	20
0.89%	61 776 413	3 946	285 915	541	3 155	3 344	292 955	3 214

Place	Address	Type of ownership	Purchase price CHF	Market value CHF	Target rental income ^{1,2} CHF	Rental loss ^{1,3} CHF
Properties used for commercial purposes						
Aarau	Kasinostrasse 30/32, Igelweid	Wholly owned	41 198 066	40 920 000	2 187 037	5 738
Baden	Badstrasse 21	Wholly owned	13 860 539	12 370 000	414 859	0
Baden	Bahnhofplatz 7	Wholly owned	8 567 611	8 516 000	412 698	6 250
Basel	Freie Strasse 84	Wholly owned	28 699 463	21 690 000	1 299 937	12
Basel	Theaterstrasse 10	Wholly owned	5 068 344	5 621 000	220 287	0
Bern	Marktgasse 22	Wholly owned	42 989 756	39 390 000	1 496 576	6 932
Buchs SG	Bahnhofstrasse 45–51	Wholly owned	37 960 989	30 900 000	1 568 304	115 361
Geneva	Boulevard Georges-Favon 45, Rond-Point de Plainpalais 1	Wholly owned	32 265 850	30 220 000	813 568	5
Geneva	Rue du Marché 7	Wholly owned	18 124 680	18 510 000	669 675	6 258
Neuchâtel	Rue de la Promenade Noire 1	Wholly owned	8 008 118	8 062 000	417 710	4 138
Neuchâtel	Rue Saint-Honoré 7/9	Wholly owned	16 851 685	15 140 000	652 130	1 880
Sion	Avenue de France 12	Wholly owned	13 706 436	12 200 000	600 000	0
Winterthur	Oberer Graben 48	Wholly owned	10 905 454	10 600 000	269 090	11 900
Winterthur	Obergasse 32	Wholly owned	4 555 634	5 587 000	254 437	4 200
Worblaufen	Lindenhofstrasse 1	Building wholly owned, property with building rights	31 190 625	24 960 000	1 848 532	186 982
Zollikon	Oberdorfstrasse 37	Wholly owned	3 066 848	3 146 000	145 077	2 550
Zurich	Fröhlichstrasse 54	Wholly owned	2 136 706	2 179 000	96 636	0
Zurich	Gartenstrasse 23	Wholly owned	11 260 598	15 680 000	504 688	-30
Zurich	Lavaterstrasse 45	Wholly owned	10 672 933	10 540 000	258 838	0
Zurich	Lavaterstrasse 76	Wholly owned	6 448 697	7 955 000	338 367	0
Zurich	Limmattalstr. 186/198/200/200a/ 202/204, Regensdorferstr. 3a/5/9, Dorfbachweg 1/1a 5/7, Schärregergasse 2	Wholly owned	61 792 206	62 240 000	2 381 258	61 948
Zurich	Lintheschergasse 13	Wholly owned	10 222 002	11 070 000	326 693	460
Zurich	Löwenstrasse 55/57	Wholly owned	36 659 552	35 630 000	903 530	13 293
Zurich	Rennweg 11	Wholly owned	21 582 894	19 990 000	448 555	-68 480
Zurich	Sankt Annagasse 9	Wholly owned	48 153 497	54 620 000	1 654 733	1 830
Zurich	Wiesenstrasse 8/10	Wholly owned	54 998 595	65 600 000	2 570 858	202 716
Total commercially used properties			580 947 779	573 336 000	22 754 070	563 941
Mixed-use properties						
Brunnen	Gotthardstrasse 1/3 (Hertipark)	Wholly owned	36 899 092	36 810 000	1 610 085	270 130
Geneva	Place Claparède 1	Wholly owned	13 940 268	14 350 000	500 854	0
Geneva	Place Edouard-Claparède 3	Wholly owned	15 550 751	15 690 000	613 843	6 192
Geneva	Rue Micheli-du-Crest 2	Wholly owned	15 671 073	16 620 000	531 736	-1 430
Horgen	Zugerstrasse 84	Wholly owned	6 239 292	8 164 000	305 027	407

Rental loss ^{1,3} %	Rental income ¹ CHF	Apartments Number	Residential m ²	Offices/ practices m ²	Retail/ shops m ²	Other rental space m ²	Total rental space m ²	Parking spaces Number
0.26%	2 170 263	10	1 131	3 023	2 531	992	7 677	63
0.00%	414 859	4	395	142	129	17	683	0
1.51%	406 448	2	259	347	240	270	1 116	0
0.00%	1 299 925	1	26	444	345	63	878	0
0.00%	220 287	1	235	189	232	128	783	0
0.46%	1 239 645	0	0	636	910	224	1 770	0
7.36%	1 420 443	20	2 378	115	2 678	421	5 592	66
0.00%	813 564	15	1 568	336	493	212	2 609	0
0.93%	663 417	0	0	735	188	35	958	0
0.99%	413 572	3	439	1 281	0	96	1 816	8
0.29%	650 250	17	793	211	806	100	1 910	0
0.00%	600 000	0	0	203	2 244	754	3 201	66
4.42%	257 190	1	170	345	304	0	819	0
1.65%	250 237	0	0	497	164	284	945	0
10.12%	1 661 550	0	0	7 128	0	157	7 285	100
1.76%	142 527	0	0	259	124	69	452	6
0.00%	96 636	0	0	0	0	420	420	8
-0.01%	504 718	4	311	833	0	95	1 239	1
0.00%	258 838	2	118	456	0	64	638	8
0.00%	338 367	0	0	662	0	45	707	12
2.60%	2 319 310	33	2 395	1 008	3 679	579	7 661	118
0.14%	326 233	0	0	381	84	66	531	1
1.47%	890 238	1	98	918	449	474	1 939	0
-15.27%	517 035	3	244	0	249	137	630	0
0.11%	1 652 903	0	0	2 205	180	170	2 555	21
7.89%	2 297 930	15	999	4 039	0	741	5 779	75
2.48%	21 826 382	132	11 560	26 392	16 028	6 613	60 593	553
16.78%	1 339 955	40	3 198	781	1 767	771	6 517	105
0.00%	500 854	14	1 831	283	110	167	2 392	0
1.01%	607 651	15	1 615	438	0	67	2 120	3
-0.27%	533 166	18	1 904	0	317	46	2 267	0
0.13%	304 620	9	970	0	0	335	1 305	23

Place	Address	Type of ownership	Purchase price CHF	Market value CHF	Target rental income ^{1,2} CHF	Rental loss ^{1,3} CHF
Lausanne	Rue du Lac 12	Wholly owned	6 736 615	8 568 000	379 417	240
Lausanne	Rue du Lac 14	Wholly owned	2 924 449	3 156 000	156 103	1 000
St. Gallen	Brühlgasse 30	Wholly owned	2 613 865	2 542 000	91 715	0
St. Gallen	Linsebühlstrasse 12/14/16	Wholly owned	5 913 238	5 731 000	278 481	-1 475
St. Gallen	Spisergasse 25/27	Wholly owned	6 354 336	5 505 000	212 830	260
Zurich	Alfred Escher-Strasse 34/36	Wholly owned	17 029 053	17 510 000	474 338	8 505
Zurich	Gartenstrasse 6, Stockerstrasse 54	Wholly owned	37 720 213	39 250 000	1 062 427	2 940
Zurich	Kirchgasse 21	Wholly owned	7 157 661	7 338 000	177 564	-310
Zurich	Römerhofplatz 5	Wholly owned	38 367 807	40 240 000	1 240 818	0
Zurich	Schlossgasse 14	Wholly owned	7 891 080	8 472 000	235 303	0
Zurich	Seestrasse 341/345	Wholly owned	23 184 572	33 760 000	1 044 189	4 108
Zurich	Zähringerstrasse 24	Wholly owned	9 902 691	10 700 000	306 855	0
Total mixed-use properties			254 096 055	274 406 000	9 221 584	290 567

Summary

	Purchase price CHF	Market value CHF	Target rental income ^{1,2} CHF	Rental loss ^{1,3} CHF
Residential buildings	1 602 523 650	1 685 156 000	62 361 399	552 644
Thereof in condominiums	0	0	0	0
Thereof with development rights	0	0	0	0
Commercially used properties	580 947 779	573 336 000	22 754 070	563 941
Thereof in condominiums	0	0	0	0
Thereof with development rights	31 190 625	24 960 000	1 848 532	186 982
Mixed-use properties	254 096 055	274 406 000	9 221 584	290 567
Thereof in condominiums	0	0	0	0
Thereof with development rights	0	0	0	0
Total properties	2 437 567 484	2 532 898 000	94 337 053	1 407 151
Cash on hand, post office and bank sight deposits, including fiduciary deposits with third-party banks		3 752 749		
Other assets		11 116 276		
Total fund assets		2 547 767 024		

Rounding differences can occur in the figures.

¹ Period from 1 October 2022–30 Septembre 2023.

² A total rent-free period of CHF 444 777 was granted on the target rental income.

³ Negative values can result from del credere entries.

⁴ The difference of CHF 235 814 compared to the rental income from the statement of income (page 22) is due to the sale of properties.

Rental loss ^{1,3} %	Rental income ¹ CHF	Apartments Number	Residential m ²	Offices/ practices m ²	Retail/ shops m ²	Other rental space m ²	Total rental space m ²	Parking spaces Number
0.06%	379 177	8	720	522	0	0	1 242	3
0.64%	155 103	5	226	0	174	0	400	0
0.00%	91 715	4	259	0	144	62	465	0
-0.53%	279 956	20	1 084	176	111	0	1 371	2
0.12%	212 570	10	629	0	108	360	1 096	0
1.79%	459 163	14	940	960	0	106	2 006	8
0.28%	1 059 487	17	977	1 072	0	117	2 165	2
-0.17%	177 874	4	420	110	0	161	691	0
0.00%	1 198 802	9	1 234	916	409	270	2 830	5
0.00%	235 303	10	555	0	175	74	804	2
0.39%	1 040 081	30	2 330	136	545	848	3 859	69
0.00%	306 855	5	364	230	89	84	767	0
3.15%	8 882 331	232	19 255	5 624	3 948	3 468	32 295	222

Rental loss ^{1,3} %	Rental income ^{1,4} CHF	Market value of GAV %
0.89%	61 776 413	66.14%
0	0	0
0	0	0
2.48%	21 826 382	22.50%
0	0	0
10.12%	1 661 550	0.98%
3.15%	8 882 331	10.77%
0	0	0
0	0	0
1.49%	92 485 125	99.42%
		0.15%
		0.44%
		100.00%

Valuation category

All properties are valued with the DCF method as of the balance sheet date and correspond to the category “Investments that due to parameters not observable on the market are valued with suitable valuation models taking account of the current market circumstances” as per Art. 84 para. 2 let. c CISO-FINMA.

Details of business activity and external financing

Purchases and sales of properties during the reporting period¹

Place	Address	Type of property	Date
Purchases from Asset Transfers			
Dietikon	Oetwilerstrasse 40/42	Residential building	15/12/2022
Dietikon	Oetwilerstrasse 31	Residential building	15/12/2022
Fribourg	Route Sainte-Agnès 8/10	Residential and commercial use	15/12/2022
Geneva	Boulevard Georges-Favon 45, Rond-Point de Plainpalais 1	Residential and commercial use	15/12/2022
La Chaux-de-Fonds	Rue du Chalet 9/9a/11/11a	Residential building	15/12/2022
Lausanne	Avenue de Mon-Loisir 14/16	Residential building	15/12/2022
Lausanne	Avenue de Mon-Loisir 10	Residential building	15/12/2022
Neuchâtel	Avenue de Clos-Brochet 2/4	Residential building	15/12/2022
Oberrieden	Einsiedlerstrasse 1/2/3/4/5	Residential building	15/12/2022
St. Gallen	Brühlgasse 30	Residential and commercial use	15/12/2022
Therwil	Sundgauerstrasse 70/71/72/73	Residential building	15/12/2022
Winterthur	Oberer Graben 48	Office building with apartments	15/12/2022
Zurich	Löwenstrasse 55/57	Office building	15/12/2022
Zurich	Alfred Escher-Strasse 34/36	Residential and commercial use	15/12/2022
Zurich	Riedenhaldenstrasse 18/20	Residential building	15/12/2022
Additional Purchases			
None.			
Sales			
Glarus	Adlergut 5/7	Residential building	29/11/2022
St. Gallen	Langgasse 2	Residential and commercial use	29/11/2022
Emmenbrücke	Haldenstrasse 21/23/25	Residential building	30/11/2022
Martigny	Rue de la Prairie 5/14/16	Residential building	30/11/2022
Oftringen	Irisweg 9/11	Residential building	30/11/2022

¹ Property values are shown in the schedule of properties.

Mortgages, fixed advances, loans and credits

Type of credit CHF	Timeframe from until	Interest rate %	30/09/2022 CHF	Borrowing CHF	Repayment CHF	30/09/2023 CHF
Short-term liabilities						
<i>Due date within 12 months</i>						
Fixed advance	30/08/22 - 30/09/22	0.26%	17000000		17000000	0
Fixed-rate mortgage	02/10/20 - 01/10/22	0.33%	10000000		10000000	0
Fixed advance	23/09/22 - 21/10/22	0.99%	13000000		13000000	0
Fixed advance	23/09/22 - 24/10/22	0.92%	11000000		11000000	0
Fixed advance	22/07/22 - 24/10/22	0.43%	40000000		40000000	0
Fixed advance	29/11/21 - 27/10/22	0.10%	24000000		24000000	0
Fixed advance	29/08/22 - 28/10/22	0.41%	13000000		13000000	0
Fixed advance	26/08/22 - 28/10/22	0.46%	11000000		11000000	0
Fixed advance	30/09/22 - 31/10/22	0.73%	10000000		10000000	0
Fixed advance	01/09/22 - 31/10/22	0.45%	12000000		12000000	0
Fixed advance	01/05/22 - 31/10/22	0.04%	22500000		22500000	0
Fixed advance	26/11/21 - 16/11/22	-0.05%	14000000		14000000	0
Fixed advance	16/11/21 - 16/11/22	0.06%	16000000		16000000	0
Fixed advance	16/08/22 - 17/11/22	0.36%	12000000		12000000	0
Fixed advance	23/09/22 - 23/11/22	0.96%	10000000		10000000	0
Fixed advance	27/10/22 - 25/11/22	0.77%		24000000	24000000	0
Fixed advance	22/10/22 - 25/11/22	0.79%		15000000	15000000	0
Fixed advance	01/11/22 - 25/11/22	0.80%		12000000	12000000	0
Fixed-rate mortgage	10/12/18 - 09/12/22	0.60%	4000000		4000000	0
Fixed-rate mortgage	10/12/18 - 12/12/22	0.55%	8000000		8000000	0
Fixed advance	16/11/22 - 16/12/22	0.94%		10000000	10000000	0
Fixed advance	25/11/22 - 23/12/22	0.85%		6000000	6000000	0
Fixed advance	26/11/22 - 23/12/22	0.93%		18000000	18000000	0
Fixed advance	23/11/22 - 23/12/22	0.87%		10000000	10000000	0
Fixed advance	31/10/22 - 23/12/22	0.88%		10000000	10000000	0
Fixed advance	24/10/22 - 23/12/22	0.84%		11000000	11000000	0
Fixed advance	24/10/22 - 23/12/22	0.84%		13000000	13000000	0
Fixed advance	01/11/22 - 23/12/22	0.92%		12500000	12500000	0
Fixed advance	28/10/22 - 28/12/22	0.95%		11000000	11000000	0
Fixed advance	30/09/22 - 30/12/22	0.90%	7000000		7000000	0
Fixed-rate mortgage	11/12/18 - 31/12/22	0.53%	1853000		1853000	0
Fixed advance	14/12/22 - 13/01/23	1.18%		20000000	20000000	0
Fixed advance	01/11/22 - 27/01/23	1.07%		10000000	10000000	0
Fixed advance	14/12/22 - 14/02/23	1.23%		20000000	20000000	0
Fixed advance	25/11/22 - 24/02/23	1.08%		6000000	6000000	0
Fixed advance	29/11/22 - 24/02/23	1.14%		11000000	11000000	0
Fixed advance	26/11/22 - 24/02/23	1.10%		3000000	3000000	0
Fixed advance	14/12/22 - 14/03/23	1.23%		17000000	17000000	0
Fixed advance	14/12/22 - 15/03/23	1.23%		10000000	10000000	0
Fixed advance	23/02/23 - 24/03/23	1.29%		12000000	12000000	0

Type of credit CHF	Timeframe		Interest rate %	30/09/2022	Borrowing CHF	Repayment CHF	30/09/2023
	from	until		CHF			CHF
Fixed advance	13/01/23	24/03/23	1.29%		20 000 000	20 000 000	0
Fixed advance	28/01/23	24/03/23	1.29%		10 000 000	10 000 000	0
Fixed advance	28/12/22	24/03/23	1.34%		11 000 000	11 000 000	0
Fixed advance	23/12/22	24/03/23	1.31%		34 000 000	34 000 000	0
Fixed advance	24/12/22	24/03/23	1.45%		18 000 000	18 000 000	0
Fixed advance	01/04/22	31/03/23	0.07%	9 000 000		9 000 000	0
Fixed advance	14/03/23	14/04/23	1.61%		7 000 000	7 000 000	0
Fixed advance	24/03/23	21/04/23	1.55%		24 000 000	24 000 000	0
Fixed advance	14/12/22	21/04/23	1.38%		20 000 000	20 000 000	0
Fixed advance	23/12/22	21/04/23	1.46%		10 000 000	10 000 000	0
Fixed advance	02/05/22	02/05/23	0.10%	4 000 000		4 000 000	0
Fixed advance	14/03/23	15/05/23	1.72%		5 000 000	5 000 000	0
Fixed-rate mortgage	15/05/13	15/05/23 ²	2.25%	12 500 000		12 500 000	0
Fixed-rate mortgage	14/08/13	15/05/23 ²	2.25%	690 000		690 000	0
Fixed-rate mortgage	07/03/14	15/05/23 ^{2,4}	1.95%	2 150 000		2 150 000	0
Fixed-rate mortgage	31/08/19	15/05/23	0.47%	2 000 000		2 000 000	0
Fixed advance	16/11/22	16/05/23	1.25%		16 000 000	16 000 000	0
Fixed advance	16/11/22	16/05/23	1.35%		2 000 000	2 000 000	0
Fixed advance	23/02/23	26/05/23	1.60%		5 000 000	5 000 000	0
Fixed advance	30/12/22	26/05/23	1.50%		7 000 000	7 000 000	0
Fixed advance	25/11/22	26/05/23	1.32%		6 000 000	6 000 000	0
Fixed advance	29/11/22	26/05/23	1.27%		10 000 000	10 000 000	0
Fixed advance	30/11/22	26/05/23	1.24%		10 000 000	10 000 000	0
Fixed advance	26/11/22	26/05/23	1.23%		3 000 000	3 000 000	0
Fixed advance	27/05/22	26/05/23	0.06%	15 900 000		15 900 000	0
Fixed advance	14/04/23	14/06/23	1.75%		7 000 000	7 000 000	0
Fixed advance	15/03/23	16/06/23	1.77%		10 000 000	10 000 000	0
Fixed advance	14/03/23	16/06/23	1.77%		3 000 000	3 000 000	0
Fixed advance	14/12/22	16/06/23	1.33%		11 000 000	11 000 000	0
Fixed advance	15/12/22	16/06/23	1.39%		30 000 000	30 000 000	0
Fixed advance	26/05/23	23/06/23	1.81%		5 000 000	5 000 000	0
Fixed advance	26/05/23	23/06/23	1.82%		10 000 000	10 000 000	0
Fixed advance	24/06/23	23/06/23	1.80%		10 000 000	10 000 000	0
Fixed advance	26/05/23	23/06/23	1.79%		15 900 000	15 900 000	0
Fixed advance	16/05/23	23/06/23	1.78%		12 000 000	12 000 000	0
Fixed advance	21/04/23	23/06/23	1.79%		30 000 000	30 000 000	0
Fixed advance	21/04/23	23/06/23	1.79%		10 000 000	10 000 000	0
Fixed advance	25/03/23	23/06/23	1.68%		18 000 000	18 000 000	0
Fixed advance	24/03/23	23/06/23	1.69%		6 000 000	6 000 000	0
Fixed advance	24/12/22	23/06/23	1.47%		12 500 000	12 500 000	0
Fixed advance	23/12/22	23/06/23	1.54%		6 000 000	6 000 000	0
Fixed advance	15/05/23	14/07/23	1.77%		5 000 000	5 000 000	0
Fixed advance	14/03/23	14/07/23	1.85%		2 000 000	2 000 000	0

Type of credit CHF	Timeframe		Interest rate %	30/09/2022 CHF	Borrowing CHF	Repayment CHF	30/09/2023 CHF
	from	until					
Fixed advance	23/06/23	21/07/23	2.08%		5 000 000	5 000 000	0
Fixed advance	24/06/23	21/07/23	2.15%		10 500 000	10 500 000	0
Fixed advance	23/06/23	21/07/23	2.22%		2 000 000	2 000 000	0
Fixed advance	21/04/23	21/07/23	1.88%		8 000 000	8 000 000	0
Fixed advance	21/07/23	25/08/23	2.09%		2 000 000	2 000 000	0
Fixed advance	21/07/23	25/08/23	2.05%		8 000 000	8 000 000	0
Fixed advance	26/05/23	25/08/23	1.97%		13 000 000	13 000 000	0
Fixed advance	21/07/23	15/09/23	2.07%		5 000 000	5 000 000	0
Fixed advance	21/07/23	15/09/23	2.03%		10 500 000	10 500 000	0
Fixed advance	16/06/23	15/09/23	2.13%		15 000 000	15 000 000	0
Fixed advance	14/06/23	15/09/23	2.18%		7 000 000	7 000 000	0
Fixed advance	25/03/23	15/09/23	1.84%		10 000 000	10 000 000	0
Fixed advance	24/03/23	15/09/23	1.63%		11 000 000	11 000 000	0
Fixed advance	24/03/23	15/09/23	1.70%		20 000 000	20 000 000	0
Fixed advance	24/03/23	15/09/23	1.86%		6 000 000	6 000 000	0
Fixed advance	14/12/22	15/09/23	1.44%		11 000 000	11 000 000	0
Fixed advance	15/12/22	15/09/23	1.47%		30 000 000	30 000 000	0
Fixed advance	23/06/23	22/09/23	2.25%		8 000 000	8 000 000	0
Fixed advance	01/04/23	22/09/23	1.91%		4 000 000	4 000 000	0
Fixed-rate mortgage	02/10/20	01/10/23	0.34%	10 000 000			10 000 000
Fixed advance	15/09/23	13/10/23	2.19%		4 000 000		4 000 000
Fixed advance	15/09/23	13/10/23	2.14%		2 000 000		2 000 000
Fixed advance	15/09/23	13/10/23	2.15%		6 000 000		6 000 000
Fixed advance	15/09/23	13/10/23	2.14%		8 000 000		8 000 000
Fixed advance	21/04/23	20/10/23	2.04%		6 000 000		6 000 000
Fixed advance	22/09/23	25/10/23	2.18%		8 000 000		8 000 000
Fixed-rate mortgage	01/11/21	31/10/23	0.32%	6 000 000			6 000 000
Fixed advance	02/05/23	10/11/23	2.11%		2 000 000		2 000 000
Fixed advance	17/11/22	15/11/23	1.44%		12 000 000		12 000 000
Fixed advance	16/11/22	16/11/23	1.56%		2 000 000		2 000 000
Fixed advance	16/05/23	17/11/23	2.01%		2 000 000		2 000 000
Fixed-rate mortgage	15/05/23	17/11/23	2.05%		15 300 000		15 300 000
Fixed-rate mortgage	21/11/18	21/11/23	0.69%	4 000 000			4 000 000
Fixed advance	25/11/22	24/11/23	1.51%		6 000 000		6 000 000
Fixed advance	30/11/22	24/11/23	1.42%		10 000 000		10 000 000
Fixed advance	26/11/22	24/11/23	1.42%		3 000 000		3 000 000
Fixed-rate mortgage	10/12/18	09/12/23	0.60%	2 000 000			2 000 000
Fixed-rate mortgage	10/12/18	11/12/23	0.55%	6 000 000			6 000 000
Fixed advance	24/03/23	15/12/23	1.80%		10 000 000		10 000 000
Fixed advance	16/12/22	15/12/23	1.52%		10 000 000		10 000 000
Fixed advance	15/12/22	15/12/23	1.52%		30 000 000		30 000 000
Fixed advance	15/09/23	15/03/24	2.26%		3 000 000		3 000 000
Fixed advance	16/09/23	15/03/24	2.17%		9 000 000		9 000 000

Type of credit CHF	Timeframe		Interest rate %	30/09/2022 CHF	Borrowing CHF	Repayment CHF	30/09/2023 CHF
	from	until					
Fixed advance	15/09/23	15/03/24	2.21%		18 000 000		18 000 000
Fixed advance	15/09/23	15/03/24	2.21%		10 000 000		10 000 000
Fixed-rate mortgage	01/04/23	21/03/24	2.12%		3 000 000		3 000 000
Fixed-rate mortgage	01/04/22	31/03/24	0.43%	5 000 000			5 000 000
Fixed-rate mortgage	02/05/16	02/05/24	0.70%	2 000 000			2 000 000
Fixed-rate mortgage	02/05/16	02/05/24	0.70%	3 700 000			3 700 000
Fixed-rate mortgage	15/05/23	17/05/24	2.25%		1 000 000		1 000 000
Fixed advance	27/05/23	24/05/24	2.14%		3 000 000		3 000 000
Fixed advance	16/06/23	14/06/24	2.34%		8 000 000		8 000 000
Fixed advance	23/06/23	21/06/24	2.46%		6 000 000		6 000 000
Fixed-rate mortgage	23/06/23	21/06/24	2.39%		10 000 000		10 000 000
Fixed advance	24/06/23	21/06/24	2.39%		10 000 000		10 000 000
Fixed-rate mortgage	23/06/23	21/06/24	2.53%		15 000 000		15 000 000
Fixed advance	16/06/23	21/06/24	2.32%		5 000 000		5 000 000
Fixed advance	14/07/23	12/07/24	2.35%		5 000 000		5 000 000
Fixed-rate mortgage	31/08/20	31/08/24	0.36%	13 950 000			13 950 000
Fixed advance	16/09/23	13/09/24	2.18%		5 000 000		5 000 000
Fixed advance	15/09/23	16/09/24	2.22%		15 000 000		15 000 000
Fixed advance	15/09/23	16/09/24	2.23%		10 000 000		10 000 000
Total short-term liabilities							324 950 000

Long-term liabilities

Due date within one to five years

Fixed-rate mortgage	02/10/20	01/10/24	0.35%	6 000 000			6 000 000
Fixed-rate mortgage	01/11/21	31/10/24	0.33%	6 000 000			6 000 000
Fixed-rate mortgage	10/12/18	09/12/24	0.65%	5 000 000			5 000 000
Fixed-rate mortgage	10/12/18	10/12/24	0.60%	8 000 000			8 000 000
Fixed-rate mortgage	15/12/22	20/12/24	1.53%		8 000 000		8 000 000
Fixed advance	15/12/22	20/12/24	1.61%		15 000 000		15 000 000
Fixed-rate mortgage	31/12/14	31/12/24 ²	1.30%	840 000			840 000
Fixed-rate mortgage	01/04/23	20/03/25	2.13%		2 000 000		2 000 000
Fixed-rate mortgage	01/04/22	31/03/25	0.66%	5 000 000			5 000 000
Fixed-rate mortgage	02/05/16	02/05/25	0.80%	2 000 000			2 000 000
Fixed-rate mortgage	02/05/16	02/05/25	0.80%	2 000 000			2 000 000
Fixed-rate mortgage	02/05/16	02/05/25	0.80%	2 000 000			2 000 000
Fixed advance	23/06/23	20/06/25	2.46%		5 000 000		5 000 000
Fixed-rate mortgage	23/06/23	20/06/25	2.39%		5 000 000		5 000 000
Fixed-rate mortgage	27/05/23	20/06/25	2.43%		20 000 000		20 000 000
Fixed-rate mortgage	23/06/23	20/06/25	2.48%		40 000 000		40 000 000
Fixed advance	16/06/23	20/06/25	2.29%		5 000 000		5 000 000
Fixed-rate mortgage	16/06/23	20/06/25	2.35%		7 000 000		7 000 000
Fixed-rate mortgage	14/07/23	11/07/25	2.40%		2 000 000		2 000 000
Fixed-rate mortgage	14/07/15	14/07/25 ¹	1.75%	1 550 000			1 550 000

Type of credit CHF	Timeframe		Interest rate %	30/09/2022 CHF	Borrowing CHF	Repayment CHF	30/09/2023 CHF
	from	until					
Fixed-rate mortgage	31/08/20	31/08/25	0.40%	13 950 000			13 950 000
Fixed-rate mortgage	01/11/21	31/10/25	0.34%	6 000 000			6 000 000
Fixed-rate mortgage	10/12/18	10/12/25	0.73%	7 000 000			7 000 000
Fixed-rate mortgage	15/12/22	19/12/25	1.59%		8 000 000		8 000 000
Fixed advance	15/12/22	19/12/25	1.66%		10 000 000		10 000 000
Fixed-rate mortgage	01/04/22	31/03/26	0.80%	3 000 000			3 000 000
Fixed-rate mortgage	16/05/22	15/05/26	1.20%	5 000 000			5 000 000
Fixed advance	16/06/23	19/06/26	2.25%		5 000 000		5 000 000
Fixed-rate mortgage	16/06/23	19/06/26	2.35%		6 000 000		6 000 000
Fixed advance	25/08/23	25/08/26	2.25%		8 000 000		8 000 000
Fixed advance	25/08/23	25/08/26	2.19%		13 000 000		13 000 000
Fixed-rate mortgage	31/08/20	31/08/26	0.45%	13 950 000			13 950 000
Fixed advance	15/09/23	15/09/26	2.19%		2 000 000		2 000 000
Fixed advance	15/09/23	15/09/26	2.12%		9 000 000		9 000 000
Fixed-rate mortgage	15/09/23	15/09/26	2.16%		3 000 000		3 000 000
Fixed-rate mortgage	10/12/18	10/12/26	0.89%	6 000 000			6 000 000
Fixed-rate mortgage	01/04/22	31/03/27	0.93%	3 000 000			3 000 000
Fixed-rate mortgage	16/05/22	14/05/27	1.35%	5 000 000			5 000 000
Fixed-rate mortgage	15/05/23	17/05/27	2.35%		1 000 000		1 000 000
Fixed-rate mortgage	31/08/20	31/08/27	0.53%	18 800 000			18 800 000
Fixed-rate mortgage	16/09/23	15/09/27	2.12%		4 500 000		4 500 000
Fixed advance	15/09/23	15/09/27	2.12%		6 000 000		6 000 000
Fixed-rate mortgage	15/09/23	15/09/27	2.16%		3 000 000		3 000 000
Fixed-rate mortgage	01/03/19	31/12/27 ³	1.86%	19 400 000			19 400 000
Fixed-rate mortgage	16/09/23	15/09/28	2.12%		2 000 000		2 000 000
Fixed advance	15/09/23	15/09/28	2.17%		2 000 000		2 000 000
Fixed advance	15/09/23	15/09/28	2.12%		2 000 000		2 000 000
Fixed-rate mortgage	15/09/23	15/09/28	2.17%		2 000 000		2 000 000
Subtotal							334 990 000
<i>Due date over five years</i>							
None.							0
Subtotal							0
Total long-term liabilities							334 990 000
Mortgages, fixed advances, loans and credits							659 940 000

The interest rates on fixed-rate mortgages and fixed advances were fixed during the entire term.

¹ The mortgages were taken over with the acquisition of the properties on 1 July 2016.

² The mortgages were taken over with the acquisition of the properties on 15 May 2016.

³ The mortgages were taken over with the acquisition of the properties on 1 March 2019.

⁴ Quarterly amortisation of CHF 10 000 until 31 december 2022.

Rental income per tenant greater than 5%

None.

Transactions with closely related persons

Swiss Life Ltd transferred to Swiss Life Asset Management Ltd a real estate portfolio comprising 15 properties for the Swiss Life REF (CH) ESG Swiss Properties real estate fund by way of a transfer of assets in accordance with Art. 69 et seq. FusG as of 15 December 2022. The property transfer was effected by means of a cash payment and not as a contribution in kind against fund units. The two companies are closely related legal entities within the meaning of Art. 63 CISA. The real estate assets that formed the object of this transaction are listed on page 22 under the heading “Purchases from asset transfer”.

FINMA based its decision on Art. 63, cl. 2 and 4 CISA in conjunction with Art. 32a CISO, and thereby granted its approval to an exception concerning the acquisition of real estate assets from closely related natural persons and legal entities for the purchase of a real estate portfolio from Swiss Life Ltd, Zurich.

Addendum to the audited annual report as at 30 September 2022

The property at Luzernerstrasse 14–18, Rossweid 1, in CH-5643 Sins (AG) was sold to the Swiss Life Investment Foundation (Real Estate Switzerland ESG real estate investment group) on 22 September 2022. Swiss Life Asset Management Ltd and the Swiss Life Investment Foundation are closely related persons within the meaning of Art. 63, cl. 2 and 4 CISA, Art. 32a CISO and Art. 91a CISO. FINMA granted an exception for the assignment of real estate assets to closely related persons on 14 September 2022.

Transactions between collective investment schemes

None.

Real estate companies of the fund

None.

Significant events after the balance sheet date

The purchase contract for the sale of the property at Zähringerstrasse 24 in 8001 Zurich was signed and notarised on 23 August 2023. The transaction and the transfer of ownership took place on 18 October 2023.

Valuation report

Assignment and outcome

Pursuant to the Swiss Collective Investments Schemes Act (CISA), the fair market values of real estate owned by Swiss property funds must be determined by independent appraisers for financial accounting purposes. According to your commission, we appraised the properties owned by the Swiss Life REF (CH) ESG Swiss Properties investment fund as of 30 September 2023. The portfolio included 161 properties as of the reporting date, with 15 properties having been transferred from Swiss Life Ltd and 5 properties having been sold during the period under review (starting 1 October 2022). The overview below shows the corresponding results:

As at 30 September 2023, the market value for the portfolio with 161 properties (including new additions) is estimated at CHF 2 532 898 000 (CHF 2 344 866 000 as at 30 September 2022). Of the 146 properties that have been in the portfolio during the entire reporting period, 116 properties were devalued and 27 properties increased in value. There was no change in value for 3 properties. In total, a depreciation in value of -0.8% has taken place (-CHF 17 885 000 compared with 30 September 2022).

The records that were relevant for the valuations were prepared by the fund management and the competent administrative companies. The valuations are based on the appraisal and analysis of these records, on the one hand, and on periodic tours of the premises as well as assessments of the general and specific market situation of each property, on the other.

Collective Investment Schemes Ordinance (CISO 86)	No. of properties	Fair value as at	Target income as at	Target income
		30/09/2023 CHF	30/09/2022 CHF	
Residential buildings	118	1 685 156 000	64 055 332	3.80%
Commercial-use properties	26	573 336 000	23 368 580	4.08%
Mixed-used buildings	17	274 406 000	9 399 286	3.43%
Investment properties total (100%)	161	2 532 898 000	96 823 198	3.82%

Valuation method and valuation standard

All of the properties were uniformly appraised using the discounted cash flow method (DCF).

A detailed analysis and assessment of each income and cost item was also undertaken within the framework of the valuation. The valuers based their appraisals on accounting figures for recent years for each property, the current tenancy situation, and comprehensive market intelligence. These served as a basis for estimating the future cash flows to be expected, and for establishing the discount rate. Underlying the valuations is the assumption that the current occupancy of the properties will continue, which means inversely that the assessments ignore the possibility of material changes such as conversion to another type of use, the addition of new floors, or densification of the property. The market value quoted for each property is to be understood as "fair value", i.e. the selling price likely to be achieved under normal circumstances in the current market environment without the potential transaction costs. Wüest Partner affirms that the valuations comply with

the legal provisions of the CISA and CISO as well as the guidelines of the Asset Management Association Switzerland (AMAS), and that they meet common industry valuation standards.

Independence and confidentiality

We confirm that we have valued the properties of Swiss Life REF (CH) ESG Swiss Properties in line with our business policies, free of influence from third parties, and solely bound by the commission stated above.

Wüest Partner AG
Zurich, 17 October 2023



Pascal Marazzi-de Lima
MRICS, Dipl. Arch. ETH,
Partner



Fabio Guerra
MRICS, Dipl. Arch. ETH,
CUREM, Partner

Further details elaborating the DCF valuation

Value growth

Trends in the value of real estate are determined by various fundamental parameters. A distinction has to be made between property-specific factors (property management) and exogenous factors related to the real estate and finance market environments:

- Changes in the property management situation on both the income and the cost sides directly trigger an adjustment in the reported market value. Key determinants here are new and expiring leases, changes in the vacancy situation, as well as changes in running and maintenance costs.
- Since they represent cash outflows, extraordinary investments made during the year under review have a direct impact on property values. On the other hand, where investments create added value and can be passed on to tenants, they result in higher rental income.
- Developments in the relevant local real estate market have an impact on the calculation of potential rental values.
- Changes in the capital or transaction markets have an influence on discount rates.

Property aging is another key factor. All other factors remaining constant, aging alone would cause a decrease of approx. 1% in the value of the building in the space of one year.¹

Rental income

Valuations are based on effective rental income as reported in the rent roll as at the valuation date. The agreed lease terms are taken into consideration when factoring rental income into the valuations.

In the case of fixed-term leases, after expiry of the agreed rental period, the potential long-term rental income seen as attainable from the current perspective is taken. Fair market potential rental values are based on recent lease signings either for the property concerned or known comparable properties in the immediate vicinity as well as on comprehensive real estate market research carried out by Wüest Partner.

The plausibility of potential rental values for retail outlets is verified using calculations based on realistic turnover figures. The potential rental value of existing leases for mixed-use properties is determined on the basis of the individual facility types taken separately.

Genuine options to renew enjoyed by tenants will be factored in if the actual rent is below the ascertained market rent. Non-genuine options with a proviso that rents be adjusted in line with the prevailing market rent at the time will be assessed as fixed-term leases as outlined above.

With leases of unlimited duration (common for residential use), rental legislation and property-specific tenant turnover are taken into consideration when adjusting in line with the potential market values ascertained.

Vacant rental properties are taken into account in the valuation with a reasonable marketing period. For all facility types the underlying vacancy rates are estimated according to location and market conditions.

Running and maintenance costs

The running and maintenance costs factored into the valuations are based primarily on empirical values from the property accounts for prior years as well as on the budgets approved by the fund management company's decision-making bodies. These figures are plausibility-tested using existing contractual agreements relating to property management activities and compared with benchmarks from Wüest Partner's database pool. Anticipated future running and ongoing maintenance costs are modelled on the basis of these analyses.

Repair costs

Short, medium and long-term repair costs are a major factor in DCF valuations. The valuations essentially reflect the investment plans made available by the fund management company's decision-making bodies. The figures are plausibility-tested using specific cost benchmarks.

In order to determine the long-term repair costs, Wüest Partner relies on a building costs tool to calculate the long-term investments needed to preserve the value of the properties, factoring in the age of selected characteristic building components and their production costs as well as the current structural condition.

Significant value-enhancing investments such as potentially higher-value conversions of rental units, the exploitation of existing development reserves, and actual project developments are generally not factored in.

¹ The effective age-related depreciation depends in particular on the construction type, age and location of the specific property.

Discounting

The applied discount rate reflects the risk estimate for the respective property or the cash-flow plan of the property. When determining this value, Wüest Partner takes property-specific characteristics as well as location and market-based influences into account.

The determination of the market-conform, risk-adjusted discount rates is based on a risk-premium model, which is constantly adjusted to current market conditions using observed arm's-length transactions. In principle, the model adds to the sum of the risk-free interest rate and the immobility premium (illiquidity of the property, basic market risk) premiums for specific property risks (e.g. location, usage, letting situation, condition, reservations of ownership).

Adjustment for inflation

Inflation is implicitly built into valuations via movements in cash flow. When calculating rental income, the contractually agreed inflation adjustment or indexation rate (e.g. 80% adjustment for changes in the consumer price index) is applied at the level of the individual tenancies. Full inflation is generally calculated into running and maintenance costs. The discount rate selected is expressed in real terms. Long-term inflation is assumed to be 1.25%.

Short form report by the statutory auditor of the collective investment scheme

for the attention of the Board of Directors of the fund management company Swiss Life Asset Management AG, Zurich

Short form report on the audit of the financial statements

Opinion

We have audited the financial statements of the Swiss Life REF (CH) ESG Swiss Properties investment fund – which comprise the statement of net assets as at 30 September 2023, the statement of income for the year then ended, information regarding the appropriation of net income and the disclosure of costs as well as additional information pursuant to art. 89 para. 1 let. b–h and art. 90 of the Swiss Collective Investment Schemes Act (CISA).

In our opinion, the financial statements (pages 4-7 and 20-42) are compliant with the Swiss Collective Investment Schemes Act, the relevant ordinances as well as the fund contract and the prospectus.

Basis for opinion

We conducted our audit of financial statements in accordance with Swiss law and the Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements” section of our report. We are independent of the investment fund as well as of the fund management company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the fund management company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors of the fund management company for the financial statements

The Board of Directors of the fund management company is responsible for preparing the financial statements in accordance with the Swiss Collective Investment Schemes Act, the corresponding ordinances as well as the fund contract and the

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, 8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, www.pwc.ch

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prospectus, and for such internal control as the Board of Directors of the fund management company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the investment fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors of the fund management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers AG



Andreas Scheibli
Licensed audit expert Lead
auditor



Michael Zobrist
Licensed audit expert

Zürich, 21 November 2023

*We enable people to lead
a self-determined life.*

*Swiss Life Asset Management Ltd
General-Guisan-Quai 40
P.O. Box 2831
8022 Zurich
Tel. +41 43 284 77 09
info@swisslife-am.com
www.swisslife-am.com*



SwissLife
Asset Managers

Media release

Zurich, 28 November 2023
Ad hoc announcement pursuant to Art. 53 LR

The distribution date (ex-date) and the payment date (value date) were incorrectly stated in the initially published annual report of Swiss Life REF (CH) ESG Swiss Properties as at 30 September 2023. The correct ex-date is 29 November 2023 and the correct value date is 1 December 2023.

Information

Media Relations

Phone +41 43 284 77 77
media.relations@swisslife.ch

Investor Relations

Phone +41 43 284 52 76
investor.relations@swisslife.ch

www.swisslife-am.com



Swiss Life Asset Managers

Swiss Life Asset Managers has more than 165 years of experience in managing the assets of the Swiss Life Group. This insurance background has exerted a key influence on the investment philosophy of Swiss Life Asset Managers, which is governed by such principles as value preservation, the generation of consistent and sustainable performance and a responsible approach to risks. Swiss Life Asset Managers offers this proven approach to third-party clients in Switzerland, France, Germany, Luxembourg, the UK, Italy and the Nordic countries.

As at 30 June 2023 assets under management for third-party clients amount to CHF 112.2 billion. Together with insurance mandates for the Swiss Life Group, total assets under management at Swiss Life Asset Managers stood at CHF 259.7 billion. Swiss Life Asset Managers is a leading real estate manager in Europe¹. Of the assets totalling CHF 259.7 billion, CHF 89.6 billion is invested in real estate. In addition, Swiss Life Asset Managers, in cooperation with Livit, manages real estate totalling CHF 21.1 billion in value. Total real estate assets under management and administration at the end of June 2023 thus came to CHF 110.7 billion.

Swiss Life Asset Managers employs more than 2200 people in Europe.

Self-determined Life

Swiss Life enables people to lead a self-determined life and look to the future with confidence. Swiss Life Asset Managers pursues the same goal: We think long-term and act responsibly. We use our knowledge and experience to develop future-oriented investment solutions. This is how we support our customers in achieving their long-term investment objectives, which in turn also take account of their client's needs so they can plan their financial future in a self-determined manner.

¹ INREV Fund Manager Survey 2023 (AuM as of 31.12.2022)

Disclaimer

This communication has been produced with the greatest of care and to the best of our knowledge and belief. However, we do not accept any liability for losses which might arise from making use of this information. This publication is not intended as a solicitation or recommendation to acquire or sell investment instruments, but only serves to provide information. Prior to subscribing or acquiring fund units on the stock exchange, investors should obtain and carefully read the detailed information on the fund contained in the regulatory documentation (prospectus with integrated fund contract, PRIIPs KID and the latest annual / semi-annual reports) that serve as the sole legal basis for the purchase of fund units. They may be ordered free of charge in electronic or printed form from the fund management company, Swiss Life Asset Management Ltd, General-Guisan-Quai 40, 8002 Zurich.

Historical performance is no indicator of current or future performance. The performance data do not include commissions and costs incurred when issuing and redeeming fund units. Both Swiss Life Ltd and the other members of the Swiss Life Group are entitled to positions in this fund and to their purchase and/or sale. Swiss Life Asset Managers funds may not be offered for sale or sold in the USA or on behalf of US citizens or US persons residing in the USA. "Swiss Life Asset Managers" is the brand name for the asset management activities of the Swiss Life Group. More information at www.swisslife-am.com. Source: Swiss Life Asset Managers (unless stated otherwise). All rights reserved. Contact: info@swisslife-am.com.