

Monthly report BKB Sustainable – Bonds CHF Domestic I1

Fund description

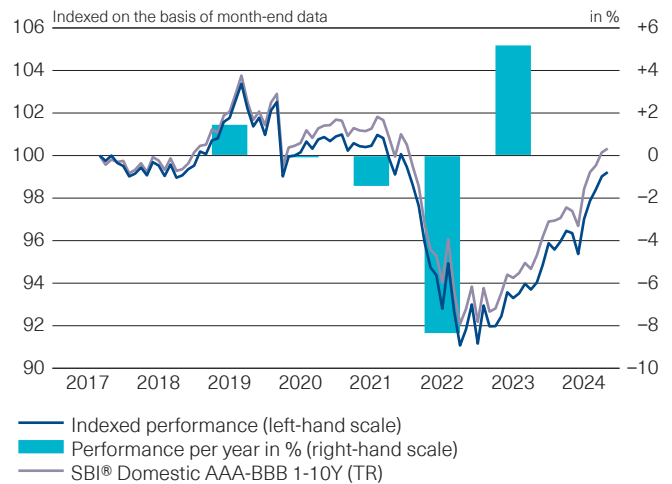
The fund invests primarily in debt securities and value rights, quoted on the Swiss stock exchange, meeting the sustainability criteria of Basler Kantonalbank. The investment decision is made in the course of an analysis of the ecological, social and financial figures as well as the quality of the governance of companies.

The investment goal of this fund consists essentially, account being taken of the principle of risk diversification, of achieving a moderate appreciation in Swiss francs (CHF).

The investment is suitable for investors who

- want a regular yield from bonds,
- have a view to a medium-term investment horizon,
- are also ready to accept price fluctuations,
- wish to invest their money sustainably.

Performance (share class I1; basis CHF, net of fees)¹



Name of fund	BKB Sustainable – Bonds CHF Domestic
Share class	BKB Sustainable – Bonds CHF Domestic I1
ISIN	CH0375612832
Securities no.	37 561 283
Bloomberg	BKBBD11 SW
Share class launch date	25.08.2017
Fund launch date	18.08.2017
Currency of fund / share class	CHF/CHF
Management fee p.a.	0.09%
Total expense ratio (TER) p.a. ¹	0.09%
Name of the Management Company	UBS Fund Management (Switzerland) AG
Custodian Bank	UBS Switzerland AG, Zurich
Portfolio management representatives	Basler Kantonalbank
Accounting year end	31 December
Distribution	none
Swinging Single Pricing	Yes, 0.15%

¹ as at 30.06.2024

Share class details

Net asset value CHF (31.10.2024)	97.62
Last 12 months (CHF)	– high 97.71 – low 92.72
Total fund assets (CHF m)	613.10
Share class assets (CHF m)	167.56
Modified duration	4.71

in %	2022	2023	2024	LTD ³ 1 year	3 years	5 years	Ø p.a. 3 years	Ø p.a. 5 years
Fund	-8.34	5.18	3.48	-0.58	5.52	0.11	-2.12	0.04
SBI® Domestic AAA-BBB 1-10Y (TR) ⁴	-8.29	5.12	3.54	0.37	5.27	0.38	-1.32	0.13

¹ These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. Source for all data and charts (if not indicated otherwise): UBS Asset Management

² YTD: year-to-date (since beginning of the year)

³ LTD: launch-to-date

⁴ SBI® Domestic AAA-BBB 1-10Y (TR) in currency of share class (without costs)

Ratios

	1 year	3 years	5 years
Volatility ¹ – Fund	2.46%	3.97%	3.62%
Sharpe ratio	1.66	-0.17	-0.17
Tracking Error	0.18%	0.25%	0.21%
Alpha vs. SBI® Domestic AAA-BBB 1-10Y (TR)	0.24	-0.09	-0.16
Beta vs. SBI® Domestic AAA-BBB 1-10Y (TR)	1.09	1.03	1.03

¹ Annualised standard deviation

Breakdown by structure of maturities (in %)

Until 1 year	4.3
1–3 years	21.4
3–5 years	27.5
5–7 years	23.9
7–10 years	23.0

Breakdown by credit quality (in %)

AAA	37.7
AA+	4.4
AA	12.4
AA-	4.7
A+	2.1
A	18.5
A-	6.3
BBB+	3.6
BBB	7.9
Others	2.5

Breakdown by largest debtors (in %)

Swiss Confederation Government Bond	11.74
Pfandbriefbank schweizerischer Hypothekarinstitute AG	8.93
Pfandbriefzentrale der schweizerischen Kantonalbanken AG	8.18
Swisscom AG	2.84
Swiss Prime Site Finance AG	2.77
Baloise Holding AG	2.61
Roche Kapitalmarkt AG	2.47
Basellandschaftliche Kantonalbank	2.27
PSP Swiss Property AG	2.12
SGS SA	1.98



For marketing and information purposes. This document was prepared by UBS Fund Management (Switzerland) AG on behalf of Basler Kantonalbank (BKB). There is no warranty for its content and no liability for losses that arise from the use of this information. The document is solely for information purposes and use by the recipient. It represents neither an offer nor a recommendation to buy or sell financial instruments or bank services, and it does not release the recipient from using his or her own judgment. This document may not be reproduced in full or in part without permission. It is expressly not intended for persons whose nationality or domicile prohibit access to such information as a result of the applicable legislation. In particular, neither this document nor copies of it may be sent or taken to the US or distributed in or to US persons (pursuant to Regulation S of the US Securities Act of 1933, as amended). Investments are associated with risks, including fluctuations in value and returns. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming fund units. Commissions and costs have a negative impact on performance. Fund units may only be acquired on the basis of the latest prospectus and fund contract, key information document and the latest annual report (or semi-annual report, if this is more recent). These documents contain more comprehensive and detailed information about the risks, fees, costs and expenses that are borne by investors and should therefore be read carefully before making an investment. The prospectus and fund contract, the key information document and the annual or semi-annual report can be obtained free of charge from Basler Kantonalbank or from UBS Fund Management (Switzerland) AG, P.O. Box, CH 4002 Basel. For more information on the fund ratings and awards listed in this document, please visit www.bkb.ch.

Copyright © 2024 Basler Kantonalbank (BKB). All rights reserved.



Glossary of key terms

Benchmark

Index against which an investment fund's performance is measured. Also called a reference index.

Alpha

A fund's alpha is its outperformance relative to a benchmark. If a fund has a consistently high alpha this can indicate skilful management. If the benchmark returns 12% and the portfolio returns 14%, the outperformance (alpha) is equal to $14\% - 12\% = 2\%$. Compare with beta.

Beta

A measure of risk which indicates the sensitivity of an investment, such as an investment fund, to fluctuations in the market, as represented by the relevant benchmark. For example, a beta of 1.2 tells us that the value of an investment fund can be expected to change by 12% if the market is forecast to move by 10%. The relation is based on historical data and is only an approximation. However, the closer the correlation between the benchmark and the investment fund, the better this approximation.

Duration

The duration represents the length of time for which capital is "tied up" in a bond investment. In contrast to residual maturity calculations, the concept of duration takes account of the time structure of returning cash flows (such as coupon repayments). The average duration of the portfolio is derived from the weighted average duration of the individual securities. The "modified duration"

is derived from the duration and provides a measure of the risk with which the sensitivity of bonds or bond portfolios to interest-rate changes can be estimated. A 1% increase (decrease) in the interest level accordingly produces a percentage fall (rise) in the price in proportion to the modified duration. For example: the modified duration of a bond fund is 4.5, the theoretical yield to maturity is 5.3%. If the theoretical yield to maturity drops in the example by 1% to 4.3% due to the decline in interest rates, the fund price increases by around 4.5%. For bond and asset allocation funds, the duration is given for all fixed-income instruments.

Sharpe ratio

The Sharpe ratio expresses how much higher (or lower) a return an investor can expect compared to the risk-free rate of interest (e.g. interest rates on savings accounts) per unit of risk (volatility). The risk-free rate of interest varies from currency to currency.

Tracking error

Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

Volatility

In portfolio theory the risk of an investment is measured by the amount of volatility. Risk and return are directly related: Markowitz's portfolio theory posits that a higher return can only be obtained with a higher risk.