

Monthly report BKB Sustainable – Swiss Bonds SBI ESG AAA-BBB X CHF

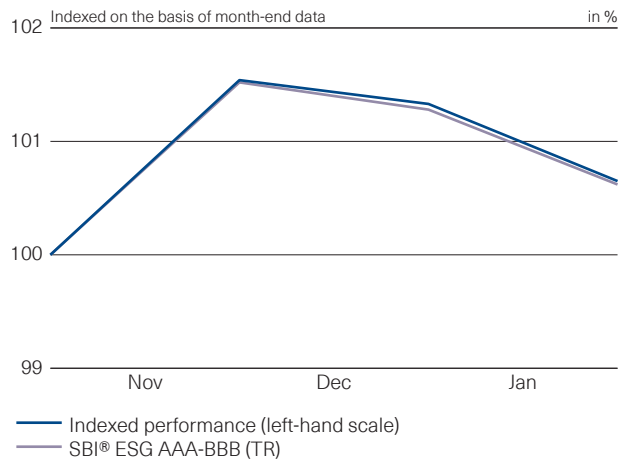
Fund description

The fund's investment objective lies in passively tracking the SBI® ESG AAA-BBB TR (reference index) and achieving a level of performance that corresponds to the movement of this index. The issuers are selected on the basis of three criteria. To be included in the index, a bond must form part of the SBI® AAA-BBB TR, and its issuer must have an ESG Impact Rating of C+ or better on a scale from A+ to D- (best in class). All instruments are also subject to transaction restrictions in the following sectors (exclusions): adult entertainment industry, alcohol, armaments, gambling, genetic engineering, nuclear energy, coal, tobacco, and oil sands. In addition, the instruments may not be recommended for exclusion by the Swiss Association for Responsible Investments (SVVK-ASIR) and must comply with the assessment of the United Nations Global Compact.

The investment is suitable for investors who

- want a regular income from bonds.
- have a short to medium-term investment horizon in mind.
- are prepared to accept temporary price fluctuations of shares in the fund.
- would like to invest their assets according to the SIX Swiss Exchange ESG criteria.

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



The performance chart will be available 3 months after the fund's establishment.

in %	2023	2024	2025	LTD ³ 1 year	3 years	5 years	Ø p.a.	Ø p.a.
			YTD ²		years	years	3 years	5 years
Fund	n.a.	n.a.	-0.67	0.60	n.a.	n.a.	n.a.	n.a.
SBI® ESG AAA-BBB (TR) ⁴	n.a.	n.a.	-0.65	0.70	n.a.	n.a.	n.a.	n.a.

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® ESG AAA-BBB (TR) in currency of share class (without costs)

Name of fund	BKB Sustainable – Swiss Bonds SBI® ESG AAA-BBB
Share class	BKB Sustainable – Swiss Bonds SBI® ESG AAA-BBB X CHF
ISIN	CH1356584677
Securities no.	135 658 467
Bloomberg ticker	BSWBSX2 SW
Share class launch date	16.10.2024
Fund launch date	16.10.2024
Currency of fund / share class	CHF/CHF
Management fee p.a.	0.00%
Total expense ratio (TER) p.a.	n.a.
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
Issue fee	0.45%
Redemption fee	0%
Issue/redemption	daily

Share class details

Net asset value CHF (31.01.2025)	100.60
Last 12 months (CHF)	– high 101.85 – low 99.45
Total fund assets (CHF m)	29.27
Share class assets (CHF m)	29.27
Modified duration	7.35

Ratios

	1 year	3 years	5 years
Volatility ¹			
– Fund	n.a.	n.a.	n.a.
Sharpe ratio	n.a.	n.a.	n.a.
Tracking Error	n.a.	n.a.	n.a.
Beta vs. SBI® ESG AAA-BBB (TR)	n.a.	n.a.	n.a.

¹ Annualised standard deviation

Breakdown by structure of maturities (in %)

1–3 years	19.1
3–5 years	22.8
5–7 years	16.2
7–10 years	17.6
10–15 years	11.4
15–20 years	5.9
over 20 years	7.0

Breakdown by credit quality (in %)

AAA	54.2
AA+	4.3
AA	10.5
AA-	4.9
A+	3.0
A	6.9
A-	5.7
BBB+	1.4
BBB	7.0
BBB-	0.2
Others	1.9

Breakdown by largest debtors (in %)

Pfandbriefbank schweizerischer Hypothekarinstitute AG	15.91
Pfandbriefzentrale der schweizerischen Kantonalbanken AG	14.77
Swiss Confederation Government Bond	13.95
City of Zurich Switzerland	2.06
Canton of Geneva Switzerland	1.45
Roche Kapitalmarkt AG	1.25
Luzerner Kantonalbank AG	1.24
Zuercher Kantonalbank	1.18
Basellandschaftliche Kantonalbank	1.15
Amag Leasing AG	1.08



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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.