



**Basler
Kantonalbank**

Annual Report 2018

Investment Fund under Swiss Law with multiple sub-funds (umbrella fund)

Audited annual report as of 31 December 2018

BKB Anlagelösung – Einkommen (CHF)
BKB Anlagelösung – Ausgewogen (CHF)
BKB Anlagelösung – Wachstum (CHF)
BKB Anlagelösung – Nachhaltig Einkommen (CHF)
BKB Anlagelösung – Nachhaltig Ausgewogen (CHF)
BKB Anlagelösung – Nachhaltig Wachstum (CHF)

Audited annual report as of 31 December 2018

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Sales restrictions

Units of this fund may not be offered, sold or distributed within the United States.

Investors who are US persons must not be offered, sold or supplied with any units of this investment fund. A US person is someone who:

- (i) is a United States person within the meaning of paragraph 7701(a)(30) of the US Internal Revenue Code of 1986 (as amended) and the Treasury Regulations enacted in the Code;
- (ii) is a US person within the meaning of regulation S in the US Securities Act of 1933 (17 CFR § 230.902(k));
- (iii) is a non-US person within the meaning of rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
- (iv) resides in the United States of America within the meaning of rule 202(a)(30)-1 of the US Investment Advisers Act of 1940 (as amended); or
- (v) is a trust, a legal entity or another structure founded for the purpose of enabling US persons to invest in this investment fund.

Internet address

www.bkb.ch

Organization

Fund Management

UBS Fund Management (Switzerland) AG
Aeschenplatz 6, 4002 Basel

Board of Directors

André Müller-Wegner, Chairman
Managing Director, UBS AG, Basel and Zurich

Reto Ketterer, Vice-chairman
Managing Director, UBS AG, Basel and Zurich

André Valente, Delegate
Managing Director, UBS Fund Management
(Switzerland) AG, Basel

Thomas Rose
Managing Director, UBS AG, Basel and Zurich

Franz Gysin
Independent Member

Andreas Schlatter
Independent Member

Executive Board

André Valente
Managing Director and Delegate of the
Board of Directors

Eugène Del Cioppo
Deputy Managing Director and
Head of Business Development & Client Management

Daniel Brüllmann
Head of Real Estate Funds

Georg Pfister (since 1 August 2018)
Head of Process, Platform, Systems and Head of Finance

Christel Müller
Head of ManCo Oversight & Risk Management

Thomas Reisser
Head of Compliance

Beat Schmidlin
Head of Legal Services

Custodian bank

UBS Switzerland AG, Zurich

Auditors

Ernst & Young Ltd, Basel

Delegation of investment decisions

Basler Kantonalbank (BKB)

Delegation of administration

The administration of the investment funds, particularly accounting, the calculation of net asset values, tax statements, the operation of IT systems and the drafting of performance reports, has been delegated to Northern Trust Switzerland AG, Basel. The precise duties involved are set out in an agreement between the parties. All other fund management duties and the monitoring of other delegated duties are carried out in Switzerland.

Paying agents

UBS Switzerland AG, Zurich
and its branches in Switzerland

Notices to investors

Amendments to the fund contract

BKB Anlagelösung – Einkommen (CHF)
BKB Anlagelösung – Ausgewogen (CHF)
BKB Anlagelösung – Wachstum (CHF)
BKB Anlagelösung – Nachhaltig Einkommen (CHF)
BKB Anlagelösung
– Nachhaltig Ausgewogen (CHF)
BKB Anlagelösung – Nachhaltig Wachstum (CHF)
BKB Anlagelösung – Regelbasiert (CHF) (approved on 18 October 2018)

Explanation for and summary of amendments

1. Units and unit classes (§ 6 prov. 4)

A new unit class “V” was created within the umbrella fund which is exclusively available to supervised insurers, public-sector entities and vested benefits and pension schemes. No minimum subscription or minimum holding is required for these units. Units were issued in the form of registered shares and may be held exclusively in a custody account with the custodian bank.

2. Investment policy (§ 8 prov. 3)

§ 8 prov. 3 of the fund contract has been expanded such that when selecting sub-funds, the fund management company shall comply with the investment regulations of the Swiss Federal Law on Occupational Retirement, Survivors’ and Disability Plans (BVG) and its implementing ordinances (in particular Art. 53–56a BVV2) applicable to financial investments of pension funds, notwithstanding the mandatory provisions of the legislation on collective investment schemes and the provisions of the fund agreement, which always take precedence over less restrictive provisions of BVV2. Further details can be found in section 1.2.2 of the prospectus.

3. Remuneration and incidental costs charged to the sub-funds’ assets (§ 19 prov. 1)

§ 19 prov. 1 was amended to reflect the introduction of the new unit class. At 1.5% p.a., the same maximum commission rates apply to unit class “V” as to unit class “B”.

4. Further amendments

Other amendments were made which are of a purely formal or editorial nature (e.g. § 19 prov. 2 f); § 19 prov. 6).

The amendments to the fund contract were published on 9 and 16 August and 7 September 2018 on the homepage of Swiss Fund Data AG and were approved by the

Swiss Financial Market Supervisory Authority FINMA on 20 September 2018. The amendments entered into force on 25 September 2018.

Explanation for and summary of amendments

1. Investment policy (§ 8)

In § 8 a) to f), prov. 2 a) and b), the insertion “after deducting liquid assets” was deleted.

In § 8 a) to g), each prov. 2 a) was amended to specify that assets shall be predominantly invested in investments denominated in Swiss francs (in particular the nominal currency of the target funds).

In order to achieve conformity with the provisions of the Federal Law on Occupational Retirement, Survivors’ and Disability Pension Plans (BVG) and its implementing ordinances, the limit for alternative investments was reduced from 20% to 15% in each of § 8 a) to c) prov. 2 ac).

In § 8 a) to f), the sentence “In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund’s assets following the deduction of liquid assets:” was deleted from each prov. 2 c).

2. Derivatives (§ 12)

In order to achieve conformity with the provisions of the Federal Law on Occupational Retirement, Survivors’ and Disability Pension Plans (BVG) and its implementing ordinances, the risk measurement procedure was changed from commitment approach II to commitment approach I.

3. Risk diversification (§ 15)

Also in order to achieve conformity with the provisions of the Federal Law on Occupational Retirement, Survivors’ and Disability Pension Plans (BVG) and its implementing ordinances, the limit for investing assets in sight or time deposits at one and the same bank was reduced from 20% to 10% in § 15 prov. 4.

4. Remuneration and incidental costs charged to the sub-funds’ assets (§ 19 prov. 1)

The fee structure in § 19 prov. 2 has been amended as follows:

“2. The following remuneration and incidental costs, which are also charged to the assets of the respective sub-funds, are not included in the flat fee:

- a. Any incidental costs relating to the purchase and sale of investments (bid/ask spread, brokerage at standard market rates, commissions, duties) which may be incurred in connection with the management of the sub-funds' assets. These costs will be offset directly against the stated acquisition or saleable value of the investments in question.
With the exception of incidental costs incurred in connection with the purchase/sale of investments during unit issuing and redemption, which are subject to swinging single pricing as set out in § 16 prov. 7.
 - b. The cost of any registration of the umbrella fund with a foreign supervisory authority, and specifically the commissions levied by the foreign supervisory authority, translation costs, and remuneration for the representative or paying agent abroad;
 - c. Costs and fees associated with intellectual property rights registered in the umbrella fund's name or with rights of use in respect of the umbrella fund;
 - d. all costs incurred through any extraordinary steps taken to safeguard the interests of investors by the fund management company, asset manager of collective investment schemes or custodian bank;
 - e. Third-party costs (e.g. attorneys' fees and custodian bank fees) arising from participation in class actions in the interest of investors may be charged to the fund assets by the fund management company. The fund management company may also charge all documented administrative costs, provided these can be proven and are reported and included in the disclosure of the fund's TER.
 - f. Costs associated with exercising the umbrella fund's voting or creditor's rights, including fees paid to external advisors;
3. The fund management company bears all costs incurred in connection with the management, asset management and safekeeping of the sub-fund and:
- a. fees paid to the supervisory authority for the creation, amendment, liquidation or merger of the umbrella fund;
 - b. annual fee paid to the supervisory authority;
 - c. the audit firm's fees for annual auditing, as well as certification as part of the creation, amendment, liquidation or merger of the umbrella fund;
 - d. fees for legal and tax advice pertaining to the creation, amendment, liquidation or merger of the umbrella fund and general representation of the interests of umbrella fund and its investors;
 - e. Costs of publishing the net asset value of the umbrella fund and all costs associated with notifications to the investors, including translation costs, where such costs were not necessitated by misconduct on the part of the fund management company;
 - f. the costs of printing and translating legal documents and the annual and semi-annual reports of the umbrella fund."

5. Further amendments

Other amendments were made which are of a purely formal or editorial nature (e.g. deletion of the proviso in § 24 prov. 2 e).

The amendments to the fund contract were published on 8 and 9 November 2018 on the homepage of Swiss Fund Data AG and were approved by the Swiss Financial Market Supervisory Authority FINMA on 13 December 2018. The amendments entered into force on 18 December 2018.

Report of the independent auditor

As statutory auditors, we have audited the enclosed annual financial statements of the investment fund

BKB Anlagelösung

with the sub-funds

- **Einkommen (CHF)**
- **Ausgewogen (CHF)**
- **Wachstum (CHF)**
- **Nachhaltig Einkommen (CHF)**
- **Nachhaltig Ausgewogen (CHF)**
- **Nachhaltig Wachstum (CHF)**

consisting of the statements of assets and the income statements, information on the appropriation of net income and the disclosure of costs as well as further details in accordance with Art. 89, para. 1 b) – h) of the Swiss Federal Act on Collective Investment Schemes for the fiscal year ending 31 December 2018.¹

Responsibilities of the Board of Directors of the fund management company

The fund management company's Board of Directors is responsible for preparing the annual financial statements in accordance with the Swiss Federal Act on Collective Investment Schemes, its related ordinances, the fund contract and the prospectus. These responsibilities entail the structuring, implementation and maintenance of an internal control system, pertaining to the preparation of annual financial statements free of material misstatements as a result of violations or errors. The Board of Directors is also responsible for selecting and applying correct accounting methods and making appropriate estimates.

Responsibilities of the statutory auditors

Our responsibility is to express an opinion on the annual financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss accounting standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatements.

¹ For the period from 27 July 2017 to 31 December 2018 the full financial year of the sub-fund – Nachhaltig Ausgewogen (CHF), Nachhaltig Einkommen (CHF) and Nachhaltig Wachstum (CHF) have been audited.

An audit includes examining, on a test basis, evidence supporting the valuations contained in the annual financial statements and other details. The task of selecting checks lies at the sole discretion of the auditors. This involves assessing the risks of material misstatements appearing in the annual financial statements as a result of violations or errors. When assessing these risks, the auditors consider the internal control system, insofar as it is important in the preparation of the annual financial statements, in order to identify the appropriate checks, but not to express an opinion on the existence and validity of the internal control system. An audit also includes assessing the accounting principles used and the plausibility of the estimates made, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Auditor's opinion

In our opinion, the annual financial statements for the fiscal year ending 31 December 2018 comply with the Swiss Federal Act on Collective Investment Schemes, its related ordinances, the respective fund contract and the prospectus.

Reporting based on other legal provisions

We hereby confirm that we meet the legal requirements for approval as well as for independence in accordance with the Federal Law on the Recognition and Supervision of Auditors and that no circumstances exist which are inconsistent with our independent status.

Basel, 29 April 2019

Ernst & Young Ltd.

Sandor Frei
Licensed expert auditor
(Principal auditor)

Michael Gurdan
Licensed expert auditor

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

BKB Anlagelösung – Einkommen (CHF)

Category Other Funds for Traditional Investments

Three-year comparison

	ISIN	31.12.2018	31.12.2017	31.12.2016
Net fund assets in CHF		200 414 248.48	165 380 037.64	122 599 029.10
Class B	CH0282156592			
Net asset value per unit in CHF		100.69	105.58	100.37
Issue and redemption price per unit in CHF ¹		100.84	105.58	100.52
Number of units outstanding		1 926 241.6660	1 566 442.9880	1 221 489.1040
Class V	CH0432492418			
Net asset value per unit in CHF		98.30		
Issue and redemption price per unit in CHF ¹		98.45		
Number of units outstanding		65 803.2910		

¹ see Supplementary information

² Initial subscription: 26.11.2018

Performance

	Currency	2018	2017	2016
Class B ¹	CHF	-3.9%	5.6%	1.5%
Class V ^{1/2}	CHF	-	-	-

¹ The sub-fund (in accordance with the fund contract) does not have a benchmark, which means that the performance of the sub-fund cannot be compared with a benchmark.

² Due to the launch of the unit class during the financial year, no historical performance data is available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

Report of the Portfolio Manager

At the beginning of last year, the initial conditions were positive. Economic indicators were pointing towards solid economic growth. The financial markets, however, were dominated by uncertainties about the course of world politics going forward. The strong fluctuations in equities were not a surprise, but our expectations were disappointed by the at times significant declines in share prices. The trend towards slightly higher interest rates in Europe and Switzerland failed to materialise.

The sub-fund held a slight overweight in equities in the reporting period. In the area of bonds, CHF bonds were significantly underweighted and global bonds kept neutral. The slight overweight in equities had a negative impact on the performance of the sub-fund. In satellite assets, we invested in emerging market and US corporate bonds as well as in US technology equities.

Structure of the securities portfolio

The 10 largest positions in % of total assets	
Ishares ETF (CH) – Ishares CHF Corporate Bond	8.16
Swisscanto (CH) Index Bond Fund – Total Market	8.11
CSIF Switzerland Bond Index	7.70
Credit Suisse Institutional Fund – Switzerland Bond Index	7.67
Swisscanto (CH) Index Equity Fund Switzerland	6.21
UBS (CH) Investment Fund – Bonds CHF Ausland Medium Term Passive	6.06
UBS (CH) Investment Fund – Bonds CHF Inland Medium Term Passive	6.05
Pictet – Global Bonds	5.16
Axa Im Swiss Fund-Bonds	5.07
CSIF Switzerland Total Market Index	4.87
Others	29.90
Total	94.96

There may be differences in the way the percentages mentioned above are rounded off.

Statement of assets

	31.12.2018	31.12.2017
	CHF	CHF
Market values		
Bank deposits		
– at sight	9 659 950.33	6 433 839.01
Securities		
– Units of other collective investment schemes	191 367 947.50	158 420 937.80
Other assets	499 000.48	581 408.06
Total fund assets	201 526 898.31	165 436 184.87
Loans	-1 036 143.94	0.00
Other liabilities	-76 505.89	-56 147.23
Net fund assets	200 414 248.48	165 380 037.64

Statement of income

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Income		
Income from bank assets	2 322.64	5 725.56
Negative interest	-16 113.77	-170.68
Income from securities		
– from units of other collective investment schemes	2 611 572.78	2 837 551.76
Purchase of current net income on issue of units	112 268.30	192 785.01
Total income	2 710 049.95	3 035 891.65
Expenses		
Interest payable	-214.89	0.00
Audit expenses	-13 069.40	-12 565.80
Commission remuneration of the Fund Management in accordance with the fund contract Class B	-1 732 297.35	-1 334 428.51
Commission remuneration of the Fund Management in accordance with the fund contract Class V	-4 982.74	0.00
Fiscal adaption due to earnings from target funds Class B ¹	1 883 049.75	1 427 077.56
Fiscal adaption due to earnings from target funds Class V ¹	62 888.97	0.00
Other expenses	-2 040.73	-2 586.56
Payment of current net income on redemption of units	-28 934.79	-75 816.16
Total expenses	164 398.82	1 680.53
Net income	2 874 448.77	3 037 572.18
Realized capital gains and losses ²	1 818 689.28	646 957.86
Fiscal adaption due to earnings from target funds Class B ¹	-1 883 049.75	-1 427 077.56
Fiscal adaption due to earnings from target funds Class V ¹	-62 888.97	0.00
Realized result	2 747 199.33	2 257 452.48
Unrealized capital gains and losses	-10 678 407.91	6 241 365.58
Total result	-7 931 208.58	8 498 818.06

Allocation of result

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Net income of the financial year	2 874 448.77	3 037 572.18
Available for distribution	2 874 448.77	3 037 572.18
Less federal withholding tax ³	-1 006 057.07	-1 063 150.26
Net income retained for reinvestment	-1 868 391.70	-1 974 421.92
Balance carried forward	0.00	0.00

¹ according to circular 24 No. 2.9. FTA

² Realized capital gains and losses may include income and expenses which were received from Swinging Single Pricing

³ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied for V Class, the distribution will take place without deduction of withholding tax.

Changes in net fund assets

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Net fund assets at the beginning of the financial year	165 380 037.64	122 599 029.10
Paid federal withholding tax	-1 146 648.98	-774 791.53
Balance of unit movements	44 112 068.40	35 056 982.01
Total result	-7 931 208.58	8 498 818.06
Net fund assets at the end of the reporting period	200 414 248.48	165 380 037.64

Development of the outstanding units

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	Number	Number
Class B		
Situation at the beginning of the financial year	1 566 442.9880	1 221 489.1040
Units issued	506 915.2390	512 063.4030
Units redeemed	-147 116.5610	-167 109.5190
Situation at the end of the period	1 926 241.6660	1 566 442.9880
Difference between units issued and units redeemed	359 798.6780	344 953.8840
Class V		
Situation at the beginning of the financial year	0.0000	
Units issued	66 433.9150	
Units redeemed	-630.6240	
Situation at the end of the period	65 803.2910	
Difference between units issued and units redeemed	65 803.2910	

Net income retained for reinvestment (accumulation)

Class B

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.4440
Less federal withholding tax	CHF	-0.5054
Net accumulation per unit	CHF	0.9386

Class V

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.4115
Less federal withholding tax ¹	CHF	-0.4940
Net accumulation per unit	CHF	0.9175

¹ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied, the distribution will take place without deduction of withholding tax.

Inventory of Fund assets

Security		31.12.2017 Quantity/ Nominal	Purchases ¹	Sales ²	31.12.2018 Quantity/ Nominal	Market value ³ in CHF	in % ³	Thereof in lending Quantity/Nominal
Securities traded on an exchange								
Investment certificates, open end								
Emerging Markets								
PICTET SICAV - EMERGING LOCAL CURRENCY DEBT*	USD	9 600	400	10 000				
Total Emerging Markets							0.00	
Europe								
ISHARES STOXX EUROPE 600 BANKS (DE)*	EUR	77 000	37 000	114 000				
SPDR ETF SICAV - SPDR MSCI EUROPE ETF-EUR*	EUR	7 150	1 250	8 400				
Total Europe							0.00	
Global								
GAM MULTIBOND SICAV - LOCAL EMERGING BOND-C*	USD	5 050	5 350	10 400				
ISHARES GLOBAL GOVERNMENT BOND UCITS ETF-USD*	CHF	62 450	17 550		80 000	8 387 200	4.16	
ISHARES GOLD PRODUCERS UCITS ETF USD*	USD		272 000		272 000	2 353 128	1.17	
ISHARES III PLC MSCI WORLD-UCITS ETF-ACC*	USD	95 000	22 500	94 000	23 500	1 138 105	0.56	
PICTET - GLOBAL BONDS-USD-I-CAP*	USD	42 700	12 100		54 800	10 401 709	5.16	
PICTET-ROBOTICS-I-USD-CAP*	USD			22 500				
SSGA SPDR ETFs EUR I PLC - SPDR BARCLAYS EM LOCAL BOND ETF*	USD		44 500		44 500	3 015 000	1.50	
Total Global						25 295 143	12.55	
Switzerland								
ISHARES ETF (CH) - ISHARES CHF CORPORATE BOND (CH)-A*	CHF	133 000	38 600	5 600	166 000	16 442 300	8.16	
UBS ETF (CH) - SPI (CHF) A-DIS*	CHF	103 500	59 500	13 000	150 000	8 329 770	4.13	
Total Switzerland						24 772 070	12.29	
United States								
ISHARES NASDAQ 100 UCITS ETF USD ACC*	USD		12 310	1 510	10 800	3 730 942	1.85	
Total United States						3 730 942	1.85	
Total Investment certificates, open end						53 798 155	26.70	
Total Securities traded on an exchange						53 798 155	26.70	
Securities traded neither on an exchange nor on a regulated market								
Investment certificates, open end								
Emerging Markets								
UBS (CH) INST FUND-EQUITIES EMERG MKTS GLOBAL PASSIVE II IA2**	USD	1 670	3 200		4 870	4 702 511	2.33	
Total Emerging Markets						4 702 511	2.33	
Europe								
JPMORGAN FDS-EUROPE DYN SM CAP FD-JPM C (PERF)(ACC)-EUR-CAP**	EUR		4 700	4 700				0.00
Total Europe								
Global								
AXA ROSENBERG GLOBAL SMALL CAP ALPHA FUND-A-CAP**	USD	35 200	3 300	38 500				
BLACKROCK GLBAL FUNDS-LOCAL EMG MKTS LCAL CUR BND FND-I2-CAP**	USD		134 800		134 800	3 139 454	1.56	
GOLDMAN SACHS GLOBAL CORE EQUITY PORTFOLIO-I-CLOSE-CAP**	USD		140 000		140 000	2 701 056	1.34	
NORDEA 1 SICAV - GLOBAL STABLE EQUITY FUND - UNHEDGED-USD-CAP**	USD	64 250	7 750	72 000				
SSGA GLOBAL TREASURY INDEX BOND-I-ACC**	USD	602 000	158 000	35 000	725 000	7 979 148	3.96	
SWISSCANTO (CH) INDEX BOND FUND CHF I-GT-CHF**	CHF	31 500	2 000	33 500				
SWISSCANTO (CH) INDEX BOND FUND TOTAL MARKET AAA-BBB CHF**	CHF		39 800		39 800	4 023 349	2.00	
SWISSCANTO (CH) INDEX EQUITY FUND MSCI [®] FND-GT USD-CAP**	USD	42 000	23 600	12 100	53 500	7 417 018	3.68	
UBS (CH) INV FUND - BONDS CHF AUSLAND MED TERM PASSIVE I-A1**	CHF	10 050	2 500		12 550	12 205 754	6.06	
Total Global						37 465 780	18.59	
Switzerland								
AXA IM SWISS FD-BONDS CHF-I AC-CAP**	CHF	71 500	17 000		88 500	10 218 210	5.07	
CREDIT SUISSE INSTITUTNL FND-SWITZRLND BOND INDEX AAA-BBB-FA**	CHF	10 020	4 430		14 450	15 456 587	7.67	
CSIF EQ SW TTL MKT BLUE-QA-CHF-DISTRIBUTIVE**	CHF	5 839	4 011		9 850	9 816 313	4.87	
CSIF SWITZERLAND BOND INDEX AAA-BBB 1-5 Y-FA-CHF-DIST**	CHF	13 020	3 480		16 500	15 512 310	7.70	
PICTET - SWISS MID-SMALL CAP-I**	CHF	660	136	596	200	1 270 682	0.63	
SWISSCANTO (CH) INDEX EQUITY FD SWITZERLAND TOTAL II-GT-CHF**	CHF	55 000	41 100	1 800	94 300	12 515 496	6.21	
SWISSCANTO (CH) IDX BND FD-TOTAL MKT AAA-BBB 1-5-GT-CHF-CAP**	CHF	117 000	52 500	4 500	165 000	16 339 125	8.11	
UBS (CH) INV FUND - BONDS CHF INLAND MED TERM PASSIVE I-A1**	CHF	10 500	2 350		12 850	12 200 433	6.05	
Total Switzerland						93 329 156	46.31	
United States								
AXA WORLD FUNDS SICAV - US HIGH YIELD BONDS I CAP**	USD	7 200	1 300	8 500				
NORDEA 1 SICAV - US CORPORATE BOND FD-BI-BASE CURRENCY-CAP**	USD	113 000	12 500	125 500				
UBAM-CORPORATE US DOLLAR BOND-IC-CAPITALISATION-USD**	USD		10 350		10 350	2 072 347	1.03	
Total United States						2 072 347	1.03	
Total Investment certificates, open end						137 569 793	68.26	
Total Securities traded neither on an exchange nor on a regulated market						137 569 793	68.26	
Total securities and similar instruments (thereof in lending)						191 367 948	94.96 (0.00)	
Bank deposits at sight						9 659 950	4.79	
Other assets						499 000	0.25	
Total fund assets						201 526 898	100.00	
Short-term bank liabilities						-1 036 144		
Other liabilities						-76 506		
Net fund assets						200 414 248		

Valuation categories	Market value as of 31.12.2018	in % of the total fund assets ³
Investments valued at prices paid on the main market	53 798 155	26.70
Investments valuation based on market-observed parameters	137 569 793	68.26
Investments valued with suitable valuation models taking account of the current market circumstances	–	–
Total	191 367 948	94.96

¹ Purchases include the following transactions: allotment from subscription / allotment from option rights / option rights / allotment of subscription rights from underlying stocks / bonus securities / change of corporate names / conversions / purchases / share exchange between companies / stock splits / stock dividends / optional dividends / transfers / transfer due to redenomination in euro / subscriptions in kind

² Sales include the following transactions: cancellation as a result of expiry / draws by lot / exercise of rights / options / repayments / reverse-splits / sales / share exchange between companies / transfers / transfer due to redenomination in euro / redemptions in kind

³ Divergences in the totals may be attributed to rounding differences

* valued at prices paid on the main market (art. 88 para. 1 CISA)

** valuation based on market-observed parameters

Derivative financial instruments

CISO-FINMA Art. 23

Transactions in derivatives on currencies during the period under review

Sale Currency	Sale Amount	Purchase Currency	Purchase Amount	Maturity
Forward exchange transactions				
USD	2 750 000	CHF	2 733 044	06.06.2018

Supplementary information

Derivative financial instruments

Risk assessment process Commitment approach I:
Art. 34 CISO-FINMA

There were no contracts in derivative financial instruments open at balance sheet date.

Securities Lending

The fund management company does not conduct any securities lending.

Repurchase agreements

The fund management company does not conduct any repurchase agreements.

Remuneration of the Fund Management

Flat fee

- Actual flat fee:
 - Class B:¹⁾ 0.93% p.a.
 - Class V: 0.99% p.a.
- Maximum flat fee as specified in the fund contract:
 - Class B: 1.50% p.a.
 - Class V: 1.50% p.a.

based on the average net fund assets.

Any management commission charged by the target funds in which investments are made may not exceed 3%, taking into account any retrocessions and discounts.

Soft Commission Arrangements

The fund management company has not concluded any arrangements in the form of “soft commission arrangements”.

¹⁾ The actual flat fee increased from 0.88% to 0.91% p.a. on 09.01.2018 and from 0.91% to 0.99% p.a. on 04.10.2018.

Total Expense Ratio (TER)

This ratio was calculated in accordance with the SFAMA’s “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

Composed TER for the last 12 months:

Class B: 1.16%

Composed TER annualized:

Class V: 1.21%

Issue and redemption price

If, on any one order day, the sum of subscriptions and redemptions of units in the sub-fund result in a net inflow or outflow, the sub-fund’s valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the sub-fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value.

Valuation principles and calculation of the net asset value

See appendix to supplementary information.

Exchange rates

EUR 1 = CHF 1.125555

USD 1 = CHF 0.984350

BKB Anlagelösung – Ausgewogen (CHF)

Category Other Funds for Traditional Investments

Three-year comparison

	ISIN	31.12.2018	31.12.2017	31.12.2016
Net fund assets in CHF		149 810 726.28	121 573 915.58	79 000 507.95
Class B	CH0282156667			
Net asset value per unit in CHF		102.47	110.36	100.40
Issue and redemption price per unit in CHF ¹		102.32	110.36	100.40
Number of units outstanding		1 397 494.7830	1 101 658.8050	786 878.6280
Class V	CH0432492434			
Net asset value per unit in CHF		96.55		
Issue and redemption price per unit in CHF ¹		96.41		
Number of units outstanding		68 412.7550		

¹ see Supplementary information

² Initial subscription: 26.11.2018

Performance

	Currency	2018	2017	2016
Class B ¹	CHF	-6.7%	10.6%	2.0%
Class V ^{1/2}	CHF	-	-	-

¹ The sub-fund (in accordance with the fund contract) does not have a benchmark, which means that the performance of the sub-fund cannot be compared with a benchmark.

² Due to the launch of the unit class during the financial year, no historical performance data is available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

Report of the Portfolio Manager

At the beginning of last year, the initial conditions were positive. Economic indicators were pointing towards solid economic growth. The financial markets, however, were dominated by uncertainties about the course of world politics going forward. The strong fluctuations in equities were not a surprise, but our expectations were disappointed by the at times significant declines in share prices. The trend towards slightly higher interest rates in Europe and Switzerland failed to materialise.

The sub-fund held a slight overweight in equities in the reporting period. In the area of bonds, CHF bonds were significantly underweighted and global bonds kept neutral. The slight overweight in equities had a negative impact on the performance of the sub-fund. In satellite assets, we invested in emerging market and US corporate bonds as well as in US technology equities.

Structure of the securities portfolio

The 10 largest positions in % of total assets	
Swisscanto (CH) Index Equity Fund Switzerland	9.59
CSIF Switzerland Total Market Index	8.84
Credit Suisse Institutional Fund – Switzerland Bond Index	7.32
Swisscanto (CH) Index Equity Fund MSCI®	6.86
UBS ETF (CH) – SPI (CHF)	6.64
Swisscanto (CH) Index Bond Fund – Total Market	6.35
CSIF Switzerland Bond Index	6.20
Ishares ETF – Core SPI®	5.37
Ishares ETF (CH) – Ishares CHF Corporate Bond	4.07
UBS (CH) Institutional Fund – Equities Emerging Markets Global Passive II	3.54
Others	29.49
Total	94.27

There may be differences in the way the percentages mentioned above are rounded off.

Statement of assets

	31.12.2018	31.12.2017
	CHF	CHF
Market values		
Bank deposits		
– at sight	8 277 895.28	6 228 315.91
Securities		
– Units of other collective investment schemes	141 851 457.45	115 035 678.28
Other assets	347 632.55	351 137.71
Total fund assets	150 476 985.28	121 615 131.90
Loans	-608 308.85	0.00
Other liabilities	-57 950.15	-41 216.32
Net fund assets	149 810 726.28	121 573 915.58

Statement of income

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Income		
Income from bank assets	3 383.67	3 810.50
Negative interest	-18 994.91	1 312.66
Income from securities		
– from units of other collective investment schemes	2 060 800.33	1 954 826.92
Purchase of current net income on issue of units	207 436.56	219 781.95
Total income	2 252 625.65	2 179 732.03
Expenses		
Interest payable	-230.08	0.00
Audit expenses	-13 069.40	-12 565.80
Commission remuneration of the Fund Management in accordance with the fund contract Class B	-1 280 258.83	-906 403.93
Commission remuneration of the Fund Management in accordance with the fund contract Class V	-5 412.60	0.00
Fiscal adaption due to earnings from target funds Class B ¹	1 438 293.20	1 032 757.71
Fiscal adaption due to earnings from target funds Class V ¹	66 433.95	0.00
Other expenses	-2 040.70	-1 786.54
Payment of current net income on redemption of units	-59 554.44	-68 066.76
Total expenses	144 161.10	43 934.68
Net income	2 396 786.75	2 223 666.71
Realized capital gains and losses ²	2 149 842.54	1 260 807.85
Fiscal adaption due to earnings from target funds Class B ¹	-1 438 293.20	-1 032 757.71
Fiscal adaption due to earnings from target funds Class V ¹	-66 433.95	0.00
Realized result	3 041 902.14	2 451 716.85
Unrealized capital gains and losses	-12 837 423.83	7 844 878.36
Total result	-9 795 521.69	10 296 595.21

Allocation of result

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Net income of the financial year	2 396 786.75	2 223 666.71
Available for distribution	2 396 786.75	2 223 666.71
Less federal withholding tax ³	-838 875.36	-778 283.35
Net income retained for reinvestment	-1 557 911.39	-1 445 383.36
Balance carried forward	0.00	0.00

¹ according to circular 24 No. 2.9. FTA

² Realized capital gains and losses may include income and expenses which were received from Swinging Single Pricing

³ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied for V Class, the distribution will take place without deduction of withholding tax.

Changes in net fund assets

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Net fund assets at the beginning of the financial year	121 573 915.58	79 000 507.95
Paid federal withholding tax	-830 935.35	-569 123.64
Balance of unit movements	38 863 267.74	32 845 936.06
Total result	-9 795 521.69	10 296 595.21
Net fund assets at the end of the reporting period	149 810 726.28	121 573 915.58

Development of the outstanding units

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	Number	Number
Class B		
Situation at the beginning of the financial year	1 101 658.8050	786 878.6280
Units issued	441 552.4560	434 480.5540
Units redeemed	-145 716.4780	-119 700.3770
Situation at the end of the period	1 397 494.7830	1 101 658.8050
Difference between units issued and units redeemed	295 835.9780	314 780.1770
Class V		
Situation at the beginning of the financial year	0.0000	
Units issued	70 153.6800	
Units redeemed	-1 740.9250	
Situation at the end of the period	68 412.7550	
Difference between units issued and units redeemed	68 412.7550	

Net income retained for reinvestment (accumulation)

Class B

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.6393
Less federal withholding tax	CHF	-0.5738
Net accumulation per unit	CHF	1.0655

Class V

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.5466
Less federal withholding tax ¹	CHF	-0.5413
Net accumulation per unit	CHF	1.0053

¹ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied, the distribution will take place without deduction of withholding tax.

Inventory of Fund assets

Security		31.12.2017 Quantity/ Nominal	Purchases ¹	Sales ²	31.12.2018 Quantity/ Nominal	Market value ³ in CHF	in % ³	Thereof in lending Quantity/Nominal
Securities traded on an exchange								
Investment certificates, open end								
Emerging Markets								
PICET SICAV - EMERGING LOCAL CURRENCY DEBT*	USD	6 850	500	7 350				
Total Emerging Markets							0.00	
Europe								
ISHARES STOXX EUROPE 600 BANKS (DE)*	EUR	57 000	28 000	85 000				
Total Europe							0.00	
Global								
GAM MULTIBOND SICAV - LOCAL EMERGING BOND-C*	USD	3 750	3 750	7 500				
ISHARES GLOBAL GOVERNMENT BOND UCITS ETF-USD*	CHF	33 850	11 150		45 000	4 717 800	3.14	
ISHARES GOLD PRODUCERS UCITS ETF-USD*	USD		202 000		202 000	1 747 544	1.16	
ISHARES III PLC MSCI WORLD-UCITS ETF-ACC*	USD	152 500	50 500	118 000	85 000	4 116 552	2.74	
PICET - GLOBAL BONDS-USD-I-CAP*	USD	12 600	3 800		16 400	3 112 920	2.07	
PICET-ROBOTICS-I-USD-CAP*	USD	15 600		15 600				
SSGA SPDR ETRS EUR I PLC - SPDR BARCLAYS EM LOCAL BOND ETF*	USD		35 500		35 500	2 405 225	1.60	
Total Global						16 100 040	10.70	
Switzerland								
ISHARES ETF (CH) - ISHARES CHF CORPORATE BOND (CH)-A*	CHF	24 700	42 300	5 200	61 800	6 121 290	4.07	
ISHARES ETF- CORE SPI (R/CH)-ETF*	CHF	56 300	20 700		77 000	8 085 000	5.37	
UBS ETF (CH) - SPI (CHF) A-DIS*	CHF	127 000	61 000	8 000	180 000	9 995 724	6.64	
Total Switzerland						24 202 014	16.08	
United States								
ISHARES NASDAQ 100 UCITS ETF USD ACC*	USD		9 060	910	8 150	2 815 480	1.87	
Total United States						2 815 480	1.87	
Total Investment certificates, open end						43 117 534	28.65	
Total Securities traded on an exchange						43 117 534	28.65	
Securities traded neither on an exchange nor on a regulated market								
Investment certificates, open end								
Emerging Markets								
UBS (CH) INST FUND-EQUITIES EMERG MKTS GLOBAL PASSIVE II IA2**	USD	2 600	2 915		5 515	5 325 328	3.54	
Total Emerging Markets						5 325 328	3.54	
Europe								
JPMORGAN FDS-EUROPE DYN SM CAP FD-JPM C (PERF)(ACC)-EUR-CAP**	EUR		6 800	6 800				0.00
Total Europe								
Global								
AXA ROSENBERG GLOBAL SMALL CAP ALPHA FUND-A-CAP**	USD	50 200	3 800	54 000				
BLACKROCK GLBAL FUNDS-LOCAL EMG MKTS LCAL CUR BND FND-I2-CAP**	USD		106 500	9 500	97 000	2 259 103	1.50	
GOLDMAN SACHS GLOBAL CORE EQUITY PORTFOLIO-I-CLOSE-CAP**	USD		220 000		220 000	4 244 517	2.82	
NORDEA 1 SICAV - GLOBAL STABLE EQUITY FUND -UNHEDGED-USD-CAP**	USD	86 900	13 600	100 500				
SSGA GLOBAL TREASURY INDEX BOND-I-ACC**	USD	335 000	115 000	25 000	425 000	4 677 432	3.11	
SWISSCANTO (CH) INDEX EQUITY FUND MSCI@ FND-GT USD-CAP**	USD	56 200	36 100	17 800	74 500	10 328 371	6.86	
UBS (CH) INV FUND - BONDS CHF AUSLAND MED TERM PASSIVE I-A1**	CHF	3 100	970		4 070	3 958 360	2.63	
Total Global						25 467 783	16.92	
Switzerland								
AXA IM SWISS FD-BONDS CHF-I AC-CAP**	CHF	20 800	6 700	2 000	25 500	2 944 230	1.96	
CREDIT SUISSE INSTITUTNL FND-SWITZRLND BOND INDEX AAA-BBB-FA**	CHF	7 800	2 500		10 300	11 017 498	7.32	
CSIF EQ SW TTL MKT BLUE-QA-CHF-DISTRIBUTIVE**	CHF	6 950	6 400		13 350	13 304 343	8.84	
CSIF SWITZERLAND BOND INDEX AAA-BBB 1-5 Y-FA-CHF-DIST**	CHF	7 585	2 665	320	9 930	9 335 590	6.20	
PICET - SWISS MID-SMALL CAP-I**	CHF	750	256	696	310	1 969 557	1.31	
SWISSCANTO (CH) INDEX EQUITY FD SWITZERLAND TOTAL II-GT-CHF**	CHF	62 600	47 400	1 300	108 700	14 426 664	9.59	
SWISSCANTO (CH) IDX BND FD-TOTAL MKT AAA-BBB 1-5-GT-CHF-CAP**	CHF	75 000	28 200	6 700	96 500	9 555 913	6.35	
UBS (CH) INV FUND - BONDS CHF INLAND MED TERM PASSIVE I-A1**	CHF	3 260	790		4 050	3 845 273	2.56	
Total Switzerland						66 399 067	44.13	
United States								
AXA WORLD FUNDS SICAV - US HIGH YIELD BONDS I CAP**	USD	5 350	1 000	6 350				
NORDEA 1 SICAV - US CORPORATE BOND FD-BI-BASE CURRENCY-CAP**	USD	82 000	8 000	90 000				
UBAM-CORPORATE US DOLLAR BOND-IC-CAPITALISATION-USD**	USD		7 700		7 700	1 541 745	1.03	
Total United States						1 541 745	1.03	
Total Investment certificates, open end						98 733 923	65.62	
Total Securities traded neither on an exchange nor on a regulated market						98 733 923	65.62	
Total securities and similar instruments (thereof in lending)						141 851 457	94.27 (0.00)	
Bank deposits at sight						8 277 895	5.50	
Other assets						347 633	0.23	
Total fund assets						150 476 985	100.00	
Short-term bank liabilities						-608 309		
Other liabilities						-57 950		
Net fund assets						149 810 726		

Valuation categories	Market value as of 31.12.2018	in % of the total fund assets ³
Investments valued at prices paid on the main market	43 117 534	28.65
Investments valuation based on market-observed parameters	98 733 923	65.62
Investments valued with suitable valuation models taking account of the current market circumstances	–	–
Total	141 851 457	94.27

¹ Purchases include the following transactions: allotment from subscription / allotment from option rights / option rights / allotment of subscription rights from underlying stocks / bonus securities / change of corporate names / conversions / purchases / share exchange between companies / stock splits / stock dividends / optional dividends / transfers / transfer due to redenomination in euro / subscriptions in kind

² Sales include the following transactions: cancellation as a result of expiry / draws by lot / exercise of rights / options / repayments / reverse-splits / sales / share exchange between companies / transfers / transfer due to redenomination in euro / redemptions in kind

³ Divergences in the totals may be attributed to rounding differences

* valued at prices paid on the main market (art. 88 para. 1 CISA)

** valuation based on market-observed parameters

Derivative financial instruments

CISO-FINMA Art. 23

Transactions in derivatives on currencies during the period under review

Sale Currency	Sale Amount	Purchase Currency	Purchase Amount	Maturity
Forward exchange transactions				
USD	1 980 000	CHF	1 967 791	06.06.2018

Supplementary information

Derivative financial instruments

Risk assessment process Commitment approach I:
Art. 34 CISO-FINMA

There were no contracts in derivative financial instruments open at balance sheet date.

Securities Lending

The fund management company does not conduct any securities lending.

Repurchase agreements

The fund management company does not conduct any repurchase agreements.

Remuneration of the Fund Management

Flat fee

- Actual flat fee:
 - Class B:¹⁾ 0.93% p.a.
 - Class V: 1.00% p.a.
 - Maximum flat fee as specified in the fund contract:
 - Class B: 1.50% p.a.
 - Class V: 1.50% p.a.
- based on the average net fund assets.

Any management commission charged by the target funds in which investments are made may not exceed 3%, taking into account any retrocessions and discounts.

Soft Commission Arrangements

The fund management company has not concluded any arrangements in the form of “soft commission arrangements”.

¹⁾ The actual flat fee increased from 0.88% to 0.91% p.a. on 09.01.2018 and from 0.91% to 1.00% p.a. on 04.10.2018.

Total Expense Ratio (TER)

This ratio was calculated in accordance with the SFAMA's “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

Composed TER for the last 12 months:

Class B: 1.15%

Composed TER annualized:

Class V: 1.21%

Issue and redemption price

If, on any one order day, the sum of subscriptions and redemptions of units in the sub-fund result in a net inflow or outflow, the sub-fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the sub-fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value.

Valuation principles and calculation of the net asset value

See appendix to supplementary information.

Exchange rates

EUR 1 = CHF 1.125555

USD 1 = CHF 0.984350

BKB Anlagelösung – Wachstum (CHF)

Category Other Funds for Traditional Investments

Three-year comparison

	ISIN	31.12.2018	31.12.2017	31.12.2016
Net fund assets in CHF		42 729 922.04	30 540 167.83	10 963 588.69
Class B	CH0330294387			
Net asset value per unit in CHF		105.68	117.47	101.54
Issue and redemption price per unit in CHF ¹		105.84	117.47	101.54
Number of units outstanding		393 847.1730	259 980.7500	107 969.7880
Class V	CH0432492475			
Net asset value per unit in CHF		94.76		
Issue and redemption price per unit in CHF ¹		94.90		
Number of units outstanding		11 705.1570		

¹ see Supplementary information

² Initial subscription: 26.11.2018

Performance

	Currency	2018	2017	2016
Class B ¹	CHF	-9.3%	15.9%	-
Class V ^{1/2}	CHF	-	-	-

¹ The sub-fund (in accordance with the fund contract) does not have a benchmark, which means that the performance of the sub-fund cannot be compared with a benchmark.

² Due to the launch of the unit class during the financial year, no historical performance data is available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

Report of the Portfolio Manager

At the beginning of last year, the initial conditions were positive. Economic indicators were pointing towards solid economic growth. The financial markets, however, were dominated by uncertainties about the course of world politics going forward. The strong fluctuations in equities were not a surprise, but our expectations were disappointed by the at times significant declines in share prices. The trend towards slightly higher interest rates in Europe and Switzerland failed to materialise.

The sub-fund held a slight overweight in equities in the reporting period. In the area of bonds, CHF bonds were significantly underweighted and global bonds kept neutral. The slight overweight in equities had a negative impact on the performance of the sub-fund. In satellite assets, we invested in emerging market and US corporate bonds as well as in US technology equities.

Structure of the securities portfolio

The 10 largest positions in % of total assets	
Swisscanto (CH) Index Equity Fund Switzerland	12.84
CSIF Switzerland Total Market Index	12.76
UBS ETF (CH) – SPI (CHF)	9.63
Ishares ETF – Core SPI® (CH)-ETF	9.25
Swisscanto (CH) Index Equity Fund MSCI®	9.12
Ishares III PLC MSCI World-Ucits ETF	6.93
CSIF Switzerland Bond Index	5.70
UBS (CH) Institutional Fund – Equities Emerging Markets Global Passive II	5.31
Goldman Sachs Global Core Equity Portfolio	4.77
Ishares ETF (CH) – Ishares CHF Corporate Bond	2.24
Others	15.21
Total	93.76

There may be differences in the way the percentages mentioned above are rounded off.

Statement of assets

	31.12.2018	31.12.2017
	CHF	CHF
Market values		
Bank deposits		
– at sight	2 537 641.94	1 799 200.48
Securities		
– Units of other collective investment schemes	40 210 274.65	28 693 977.13
Other assets	137 645.94	57 292.31
Total fund assets	42 885 562.53	30 550 469.92
Loans	-139 589.20	0.00
Other liabilities	-16 051.29	-10 302.09
Net fund assets	42 729 922.04	30 540 167.83

Statement of income

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Income		
Income from bank assets	1 008.20	1 326.23
Negative interest	-5 094.01	-873.50
Income from securities		
– from units of other collective investment schemes	595 184.36	398 936.79
Purchase of current net income on issue of units	109 277.70	83 822.45
Total income	700 376.25	483 211.97
Expenses		
Interest payable	-294.88	-0.01
Audit expenses	-13 069.40	-12 565.80
Commission remuneration of the Fund Management in accordance with the fund contract Class B	-339 751.51	-202 400.47
Commission remuneration of the Fund Management in accordance with the fund contract Class V	-836.00	0.00
Fiscal adaption due to earnings from target funds Class B ¹	430 595.99	267 483.46
Fiscal adaption due to earnings from target funds Class V ¹	11 490.08	0.00
Other expenses	-1 709.73	-626.16
Payment of current net income on redemption of units	-29 446.23	-11 323.32
Total expenses	56 978.32	40 567.70
Net income	757 354.57	523 779.67
Realized capital gains and losses ²	381 966.13	310 250.13
Fiscal adaption due to earnings from target funds Class B ¹	-430 595.99	-267 483.46
Fiscal adaption due to earnings from target funds Class V ¹	-11 490.08	0.00
Realized result	697 234.63	566 546.34
Unrealized capital gains and losses	-4 967 174.46	2 667 664.54
Total result	-4 269 939.83	3 234 210.88

Allocation of result

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Net income of the financial year	757 354.57	523 779.67
Available for distribution	757 354.57	523 779.67
Less federal withholding tax ³	-265 074.10	-183 322.88
Net income retained for reinvestment	-492 280.47	-340 456.79
Balance carried forward	0.00	0.00

¹ according to circular 24 No. 2.9. FTA

² Realized capital gains and losses may include income and expenses which were received from Swinging Single Pricing

³ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied for V Class, the distribution will take place without deduction of withholding tax.

Changes in net fund assets

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	CHF	CHF
Net fund assets at the beginning of the financial year	30 540 167.83	10 963 588.69
Paid federal withholding tax	-195 890.05	-24 706.73
Balance of unit movements	16 655 584.09	16 367 074.99
Total result	-4 269 939.83	3 234 210.88
Net fund assets at the end of the reporting period	42 729 922.04	30 540 167.83

Development of the outstanding units

	1.1.2018-31.12.2018	1.1.2017-31.12.2017
	Number	Number
Class B		
Situation at the beginning of the financial year	259 980.7500	107 969.7880
Units issued	191 892.4760	171 388.2120
Units redeemed	-58 026.0530	-19 377.2500
Situation at the end of the period	393 847.1730	259 980.7500
Difference between units issued and units redeemed	133 866.4230	152 010.9620
Class V	Number	
Situation at the beginning of the financial year	0.0000	
Units issued	11 717.4210	
Units redeemed	-12.2640	
Situation at the end of the period	11 705.1570	
Difference between units issued and units redeemed	11 705.1570	

Net income retained for reinvestment (accumulation)

Class B

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.8729
Less federal withholding tax	CHF	-0.6555
Net accumulation per unit	CHF	1.2174

Class V

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.6815
Less federal withholding tax ¹	CHF	-0.5885
Net accumulation per unit	CHF	1.0930

¹ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied, the distribution will take place without deduction of withholding tax.

Inventory of Fund assets

Security		31.12.2017 Quantity/ Nominal	Purchases ¹	Sales ²	31.12.2018 Quantity/ Nominal	Market value ³ in CHF	in % ³	Thereof in lending Quantity/Nominal
Securities traded on an exchange								
Investment certificates, open end								
Emerging Markets								
PICTET SICAV - EMERGING LOCAL CURRENCY DEBT*	USD	1 730	420	2 150				
Total Emerging Markets								0.00
Europe								
ISHARES STOXX EUROPE 600 BANKS (DE)*	EUR	14 500	10 750	25 250				
Total Europe								0.00
Global								
GAM MULTIBOND SICAV - LOCAL EMERGING BOND-C*	USD	910	1 410	2 320				
ISHARES GLOBAL GOVERNMENT BOND UCITS ETF-USD*	CHF	2 750	1 770	200	4 320	452 909	1.06	
ISHARES GOLD PRODUCERS UCITS ETF USD*	USD		58 000		58 000	501 770	1.17	
ISHARES III PLC MSCI WORLD-UCITS ETF-ACC*	USD	51 400	46 600	36 600	61 400	2 973 603	6.93	
PICTET - GLOBAL BONDS-USD-I-CAP*	USD	1 620	830	150	2 300	436 568	1.02	
PICTET-ROBOTICS-I-USD-CAP*	USD	3 820	160	3 980				
SSGA SPDR ETFs EUR I PLC - SPDR BARCLAYS EM LOCAL BOND ETF*	USD		9 750		9 750	660 590	1.54	
Total Global						5 025 440	11.72	
Switzerland								
ISHARES ETF (CH) - ISHARES CHF CORPORATE BOND (CH)-A*	CHF	3 150	6 950	400	9 700	960 785	2.24	
ISHARES ETF- CORE SPI (R)(CH)-ETF*	CHF	23 150	15 800	1 150	37 800	3 969 000	9.25	
UBS ETF (CH) - SPI (CHF) A-DIS*	CHF	47 200	27 200		74 400	4 131 566	9.63	
Total Switzerland						9 061 351	21.13	
United States								
ISHARES NASDAQ 100 UCITS ETF USD ACC*	USD		2 690	320	2 370	818 735	1.91	
Total United States						818 735	1.91	
Total Investment certificates, open end						14 905 525	34.76	
Total Securities traded on an exchange						14 905 525	34.76	
Securities traded neither on an exchange nor on a regulated market								
Investment certificates, open end								
Emerging Markets								
UBS (CH) INST FUND-EQUITIES EMERG MKTS GLOBAL PASSIVE II IA2**	USD	1 145	1 280	65	2 360	2 278 835	5.31	
Total Emerging Markets						2 278 835	5.31	
Europe								
JPMORGAN FDS-EUROPE DYN SM CAP FD-JPM C (PERF)(ACC)-EUR-CAP**	EUR		3 980	3 980				
Total Europe								0.00
Global								
AXA ROSENBERG GLOBAL SMALL CAP ALPHA FUND-A-CAP**	USD	24 200	3 800	28 000				
BLACKROCK GLBAL FUNDS-LOCAL EMG MKTS LCAL CUR BND FND-I2-CAP**	USD		29 500		29 500	687 047	1.60	
GOLDMAN SACHS GLOBAL CORE EQUITY PORTFOLIO-I-CLOSE-CAP**	USD		106 000		106 000	2 045 086	4.77	
NORDEA 1 SICAV - GLOBAL STABLE EQUITY FUND -UNHEDGED-USD-CAP**	USD	41 000		41 000				
SSGA GLOBAL TREASURY INDEX BOND-I-ACC**	USD	27 900	16 600	3 500	41 000	451 235	1.05	
SWISSCANTO (CH) INDEX EQUITY FUND MSCI® FND-GT USD-CAP**	USD	18 800	18 900	9 500	28 200	3 909 531	9.12	
Total Global						7 092 898	16.54	
Switzerland								
AXA IM SWISS FD-BONDS CHF-I AC-CAP**	CHF	2 580	1 450	180	3 850	444 521	1.04	
CREDIT SUISSE INSTITUTNL FND-SWITZRLND BOND INDEX AAA-BBB-FA**	CHF	430	230		660	705 976	1.65	
CSIF EQ SW TTL MKT BLUE-QA-CHF-DISTRIBUTIVE**	CHF	2 350	3 200	60	5 490	5 471 228	12.76	
CSIF SWITZERLAND BOND INDEX AAA-BBB 1-5 Y-FA-CHF-DIST**	CHF	1 425	1 335	160	2 600	2 444 364	5.70	
PICTET - SWISS MID-SMALL CAP-I**	CHF	334	207	398	143	908 538	2.12	
SWISSCANTO (CH) INDEX EQUITY FD SWITZERLAND TOTAL II-GT-CHF**	CHF	19 300	27 400	5 200	41 500	5 507 880	12.84	
Total Switzerland						15 482 506	36.10	
United States								
AXA WORLD FUNDS SICAV - US HIGH YIELD BONDS I CAP**	USD	1 360	590	1 950				
NORDEA 1 SICAV - US CORPORATE BOND FD-BI-BASE CURRENCY-CAP**	USD	20 500	3 500	24 000				
UBAM-CORPORATE US DOLLAR BOND-IC-CAPITALISATION-USD**	USD		2 250		2 250	450 511	1.04	
Total United States						450 511	1.04	
Total Investment certificates, open end						25 304 750	59.00	
Total Securities traded neither on an exchange nor on a regulated market						25 304 750	59.00	
Total securities and similar instruments								
(thereof in lending)						40 210 275	93.76	0.00
Bank deposits at sight								
Other assets						2 537 642	5.92	
Total fund assets						42 885 563	100.00	
Short-term bank liabilities								
Other liabilities						-139 589		
Net fund assets						42 729 922		

Valuation categories	Market value as of 31.12.2018	in % of the total fund assets ³
Investments valued at prices paid on the main market	14 905 525	34.76
Investments valuation based on market-observed parameters	25 304 750	59.00
Investments valued with suitable valuation models taking account of the current market circumstances	–	–
Total	40 210 275	93.76

¹ Purchases include the following transactions: allotment from subscription / allotment from option rights / option rights / allotment of subscription rights from underlying stocks / bonus securities / change of corporate names / conversions / purchases / share exchange between companies / stock splits / stock dividends / optional dividends / transfers / transfer due to redenomination in euro / subscriptions in kind

² Sales include the following transactions: cancellation as a result of expiry / draws by lot / exercise of rights / options / repayments / reverse-splits / sales / share exchange between companies / transfers / transfer due to redenomination in euro / redemptions in kind

³ Divergences in the totals may be attributed to rounding differences

* valued at prices paid on the main market (art. 88 para. 1 CISA)

** valuation based on market-observed parameters

Derivative financial instruments

CISO-FINMA Art. 23

Transactions in derivatives on currencies during the period under review

Sale Currency	Sale Amount	Purchase Currency	Purchase Amount	Maturity
Forward exchange transactions				
USD	520 000	CHF	516 794	06.06.2018

Supplementary information

Derivative financial instruments

Risk assessment process Commitment approach I:
Art. 34 CISO-FINMA

There were no contracts in derivative financial instruments open at balance sheet date.

Securities Lending

The fund management company does not conduct any securities lending.

Repurchase agreements

The fund management company does not conduct any repurchase agreements.

Remuneration of the Fund Management

Flat fee

- Actual flat fee:
 - Class B:¹⁾ 0.90% p.a.
 - Class V: 0.97% p.a.
- Maximum flat fee as specified in the fund contract:
 - Class B: 1.50% p.a.
 - Class V: 1.50% p.a.

based on the average net fund assets.

Any management commission charged by the target funds in which investments are made may not exceed 3%, taking into account any retrocessions and discounts.

Soft Commission Arrangements

The fund management company has not concluded any arrangements in the form of “soft commission arrangements”.

¹⁾ The actual flat fee increased from 0.88% to 0.97% p.a. on 04.10.2018.

Total Expense Ratio (TER)

This ratio was calculated in accordance with the SFAMA’s “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

Composed TER for the last 12 months:

Class B: 1.16%

Composed TER annualized:

Class V: 1.19%

Issue and redemption price

If, on any one order day, the sum of subscriptions and redemptions of units in the sub-fund result in a net inflow or outflow, the sub-fund’s valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the sub-fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value.

Valuation principles and calculation of the net asset value

See appendix to supplementary information.

Exchange rates

EUR 1 = CHF 1.125555

USD 1 = CHF 0.984350

BKB Anlagelösung – Nachhaltig Einkommen (CHF)

Category Other Funds for Traditional Investments

Most important figures

	ISIN	31.12.2018
Net fund assets in CHF		25 839 425.98
Class B	CH0369658460	1
Net asset value per unit in CHF		98.42
Issue and redemption price per unit in CHF ²		98.57
Number of units outstanding		232 580.2820
Class V	CH0432492483	3
Net asset value per unit in CHF		98.25
Issue and redemption price per unit in CHF ²		98.40
Number of units outstanding		30 020.2970

¹ Initial subscription: 27.7.2017

² see Supplementary information

³ Initial subscription: 26.11.2018

Performance

	Currency	2018
Class B ^{1/2}	CHF	-3.5%
Class V ^{1/3}	CHF	-

¹ The sub-fund (in accordance with the fund contract) does not have a benchmark, which means that the performance of the sub-fund cannot be compared with a benchmark.

² Performance was calculated for the period from 31.12.2017 to 31.12.2018.

³ Due to the launch of the unit class during the financial year, no historical performance data is available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

Report of the Portfolio Manager

At the beginning of last year, the initial conditions were positive. Economic indicators were pointing towards solid growth. The financial markets, however, were dominated by uncertainties about the course of world politics going forward. The strong fluctuations in equities were not a surprise, but our expectations were disappointed by the at times significant declines in share prices. The trend towards slightly higher interest rates in Europe and Switzerland failed to materialise.

The sub-fund held a slight overweight in equities in the reporting period. In the area of bonds, CHF bonds were significantly underweighted and global bonds kept neutral. The slight overweight in equities had a negative impact on the performance of the sub-fund.

Structure of the securities portfolio

The positions in % of total assets	
BKB Cler Sustainable – Bonds CHF Domestic	28.80
Crown Sigma – LGT Sustainable Bond Global	16.16
BKB Cler Sustainable – Bonds CHF Foreign	15.62
BKB Cler Sustainable – Equity Switzerland	14.99
UBS – ETF MSCI World Socially Responsible	10.04
Raiffeisen Futura Swiss Franc Bond	5.10
UBS ETF – MSCI Emerging Markets SOC Responsible UCITS	2.02
Vontobel Fund (CH) – Ethos Equities Swiss Mid & Small	0.73
Total	93.46

There may be differences in the way the percentages mentioned above are rounded off.

Statement of assets

	31.12.2018
	CHF
Market values	
Bank deposits	
– at sight	1 685 577.45
Securities	
– Units of other collective investment schemes	24 158 939.64
Other assets	5 018.36
Total fund assets	25 849 535.45
Other liabilities	-10 109.47
Net fund assets	25 839 425.98

Statement of income

	27.7.2017-31.12.2018
	CHF
Income	
Income from bank assets	745.90
Negative interest	-3 188.49
Income from securities	
– from units of other collective investment schemes	213 461.04
Purchase of current net income on issue of units	-110 552.57
Total income	100 465.88
Expenses	
Interest payable	-23.74
Commission remuneration of the Fund Management in accordance with the fund contract Class B	-205 814.86
Commission remuneration of the Fund Management in accordance with the fund contract Class V	-2 501.32
Fiscal adaption due to earnings from target funds Class B ¹	337 907.24
Fiscal adaption due to earnings from target funds Class V ¹	43 604.73
Other expenses	-6 393.70
Payment of current net income on redemption of units	8 603.99
Total expenses	175 382.34
Net income	275 848.22
Realized capital gains and losses ²	-109 703.62
Fiscal adaption due to earnings from target funds Class B ¹	-337 907.24
Fiscal adaption due to earnings from target funds Class V ¹	-43 604.73
Realized result	-215 367.37
Unrealized capital gains and losses	-560 209.45
Total result	-775 576.82

Allocation of result

	27.7.2017-31.12.2018
	CHF
Net income of the financial year	275 848.22
Available for distribution	275 848.22
Less federal withholding tax ³	-96 546.88
Net income retained for reinvestment	-179 301.34
Balance carried forward	0.00

¹ according to circular 24 No. 2.9. FTA

² Realized capital gains and losses may include income and expenses which were received from Swinging Single Pricing

³ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied for V Class, the distribution will take place without deduction of withholding tax.

Changes in net fund assets

27.7.2017-31.12.2018

	CHF
Net fund assets at the beginning of the financial year	0.00
Balance of unit movements	26 615 002.80
Total result	-775 576.82
Net fund assets at the end of the reporting period	25 839 425.98

Development of the outstanding units

27.7.2017-31.12.2018

Class B	Number
Situation at the beginning of the financial year	0.0000
Units issued	244 979.5850
Units redeemed	-12 399.3030
Situation at the end of the period	232 580.2820
Difference between units issued and units redeemed	232 580.2820
Class V	Number
Situation at the beginning of the financial year	0.0000
Units issued	30 035.7220
Units redeemed	-15.4250
Situation at the end of the period	30 020.2970
Difference between units issued and units redeemed	30 020.2970

Net income retained for reinvestment (accumulation)

Class B

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.0505
Less federal withholding tax	CHF	-0.3677
Net accumulation per unit	CHF	0.6828

Class V

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.0495
Less federal withholding tax ¹	CHF	-0.3673
Net accumulation per unit	CHF	0.6822

¹ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied, the distribution will take place without deduction of withholding tax.

Inventory of Fund assets

Security	27.7.2017 Quantity/ Nominal	Purchases ¹	Sales ²	31.12.2018 Quantity/ Nominal	Market value ³ in CHF	in % ³	Thereof in lending Quantity/Nominal
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Securities traded on an exchange

Investment certificates, open end

Global							
UBS ETF-MSCI EMERG MRKT SOC RESPONSIBLE UCITS ETF-USD-A-DIST*	USD	58 800	17 600	41 200	523 000	2.02	
UBS-ETF MSCI WORLD SOCIALLY RESPONSIBLE-A-DIS*	USD	40 490	8 690	31 800	2 596 528	10.04	
Total Global					3 119 528	12.07	
Total Investment certificates, open end					3 119 528	12.07	
Total Securities traded on an exchange					3 119 528	12.07	

Securities traded neither on an exchange nor on a regulated market

Investment certificates, open end

Global							
CROWN SIGMA-LGT SUSTAINABLE BOND GLOBAL SUB-FUND-C-EUR-ACC**	EUR	3 790	80	3 710	4 176 845	16.16	
ETHOS-BONDS INTERNATIONAL-E-DISTRIBUTION**	CHF	2 855	2 855				
RAIFFEISEN FUTURA SWISS FRANC BOND-I-DISTRIBUTION**	CHF	24 655	11 655	13 000	1 318 200	5.10	
Total Global					5 495 045	21.26	
Switzerland							
BKB CLER SUSTAINABLE - EQUITY SWITZERLAND (CHF) I2**	CHF	442	36	406	3 875 197	14.99	
BKB CLER SUSTAINABLE - BONDS CHF DOMESTIC I2**	CHF	768	24	744	7 442 225	28.79	
BKB CLER SUSTAINABLE - BONDS CHF FOREIGN I2**	CHF	417	10	407	4 038 486	15.62	
PICTET-ETHOS CH SW SUST-I-DY-DISTRIBUTIVE**	CHF	3 320	3 320				
VONTOBEL FUND CH-ETHOS EQUITIES SWISS MID & SMALL-A-CHF**	CHF	1 800	1 230	570	188 460	0.73	
Total Switzerland					15 544 368	60.13	
Total Investment certificates, open end					21 039 412	81.39	
Total Securities traded neither on an exchange nor on a regulated market					21 039 412	81.39	
Total securities and similar instruments					24 158 940	93.46	
(thereof in lending)						0.00	
Bank deposits at sight					1 685 577	6.52	
Other assets					5 018	0.02	
Total fund assets					25 849 535	100.00	
Other liabilities					-10 109		
Net fund assets					25 839 426		

Valuation categories

	Market value as of 31.12.2018	in % of the total fund assets ³
Investments valued at prices paid on the main market	3 119 528	12.07
Investments valuation based on market-observed parameters	21 039 412	81.39
Investments valued with suitable valuation models taking account of the current market circumstances	-	-
Total	24 158 940	93.46

¹ Purchases include the following transactions: allotment from subscription / allotment from option rights / option rights / allotment of subscription rights from underlying stocks / bonus securities / change of corporate names / conversions / purchases / share exchange between companies / stock splits / stock dividends / optional dividends / transfers / transfer due to redenomination in euro / subscriptions in kind

² Sales include the following transactions: cancellation as a result of expiry / draws by lot / exercise of rights / options / repayments / reverse-splits / sales / share exchange between companies / transfers / transfer due to redenomination in euro / redemptions in kind

³ Divergences in the totals may be attributed to rounding differences

* valued at prices paid on the main market (art. 88 para. 1 CISA)

** valuation based on market-observed parameters

Derivative financial instruments

CISO-FINMA Art. 23

Transactions in derivatives on currencies during the period under review

Sale Currency	Sale Amount	Purchase Currency	Purchase Amount	Maturity
Forward exchange transactions				
USD	180 000	CHF	178 899	06.06.2018

Supplementary information

Derivative financial instruments

Risk assessment process Commitment approach I:
Art. 34 CISO-FINMA

There were no contracts in derivative financial instruments open at balance sheet date.

Securities Lending

The fund management company does not conduct any securities lending.

Repurchase agreements

The fund management company does not conduct any repurchase agreements.

Remuneration of the Fund Management

Flat fee

- Actual flat fee:
 - Class B:¹⁾ 0.92% p.a.
 - Class V: 1.02% p.a.
- Maximum flat fee as specified in the fund contract:
 - Class B: 1.50% p.a.
 - Class V: 1.50% p.a.

based on the average net fund assets.

Any management commission charged by the target funds in which investments are made may not exceed 3%, taking into account any retrocessions and discounts.

Soft Commission Arrangements

The fund management company has not concluded any arrangements in the form of “soft commission arrangements”.

¹⁾ The actual flat fee increased from 0.84% to 0.91% p.a. on 09.01.2018 and from 0.91% to 1.02% p.a. on 04.10.2018.

Total Expense Ratio (TER)

This ratio was calculated in accordance with the SFAMA's “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

Composed TER annualized:

Class B:	1.19%*
Class V:	1.24%*

* The target funds BKB CLER SUSTAINABLE - BONDS CHF DOMESTIC I2, BKB CLER SUSTAINABLE - BONDS CHF FOREIGN I2 and BKB CLER SUSTAINABLE - EQUITY SWITZERLAND (CHF) I2 do not publish a TER according to industry standards. The part of composed TER is calculated in accordance with the current version of the SFAMA's “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes”.

Issue and redemption price

If, on any one order day, the sum of subscriptions and redemptions of units in the sub-fund result in a net inflow or outflow, the sub-fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the sub-fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value.

Valuation principles and calculation of the net asset value

See appendix to supplementary information.

Exchange rates

EUR 1 = CHF 1.125555 USD 1 = CHF 0.984350

BKB Anlagelösung – Nachhaltig Ausgewogen (CHF)

Category Other Funds for Traditional Investments

Most important figures

	ISIN	31.12.2018
Net fund assets in CHF		33 865 654.78
Class B	CH0369658478	1
Net asset value per unit in CHF		97.95
Issue and redemption price per unit in CHF ²		97.80
Number of units outstanding		308 327.8110
Class V	CH0432492517	3
Net asset value per unit in CHF		96.65
Issue and redemption price per unit in CHF ²		96.51
Number of units outstanding		37 934.0980

¹ Initial subscription: 27.7.2017

² see Supplementary information

³ Initial subscription: 26.11.2018

Performance

	Currency	2018
Class B ^{1/2}	CHF	-5.8%
Class V ^{1/3}	CHF	-

¹ The sub-fund (in accordance with the fund contract) does not have a benchmark, which means that the performance of the sub-fund cannot be compared with a benchmark.

² Performance was calculated for the period from 31.12.2017 to 31.12.2018.

³ Due to the launch of the unit class during the financial year, no historical performance data is available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

Report of the Portfolio Manager

At the beginning of last year, the initial conditions were positive. Economic indicators were pointing towards solid growth. The financial markets, however, were dominated by uncertainties about the course of world politics going forward. The strong fluctuations in equities were not a surprise, but our expectations were disappointed by the at times significant declines in share prices. The trend towards slightly higher interest rates in Europe and Switzerland failed to materialise.

The sub-fund held a slight overweight in equities in the reporting period. In the area of bonds, CHF bonds were significantly underweighted and global bonds kept neutral. The slight overweight in equities had a negative impact on the performance of the sub-fund.

Structure of the securities portfolio

The positions in % of total assets	
BKB Cler Sustainable – Equity Switzerland	28.59
BKB Cler Sustainable – Bonds CHF Domestic	18.90
UBS – ETF MSCI World Socially Responsible	16.41
Crown Sigma – LGT Sustainable Bond Global	12.16
BKB Cler Sustainable – Bonds CHF Foreign	10.25
UBS ETF – MSCI Emerging Market Soc Responsible UCITS ETF	3.53
Vontobel Fund (CH) – Ethos Equities Swiss Mid & Small	2.93
Total	92.77

There may be differences in the way the percentages mentioned above are rounded off.

Statement of assets

	31.12.2018
Market values	CHF
Bank deposits	
– at sight	2 444 921.70
Securities	
– Units of other collective investment schemes	31 430 260.27
Other assets	3 424.32
Total fund assets	33 878 606.29
Loans	-49.05
Other liabilities	-12 902.46
Net fund assets	33 865 654.78

Statement of income

	27.7.2017-31.12.2018
Income	CHF
Income from bank assets	1 763.62
Negative interest	-3 595.42
Income from securities	
– from units of other collective investment schemes	251 790.41
Purchase of current net income on issue of units	-97 599.40
Total income	152 359.21
Expenses	
Interest payable	-3.60
Commission remuneration of the Fund Management in accordance with the fund contract Class B	-254 350.70
Commission remuneration of the Fund Management in accordance with the fund contract Class V	-2 949.93
Fiscal adaption due to earnings from target funds Class B ¹	442 498.80
Fiscal adaption due to earnings from target funds Class V ¹	53 797.92
Other expenses	-6 193.70
Payment of current net income on redemption of units	4 755.58
Total expenses	237 554.37
Net income	389 913.58
Realized capital gains and losses ²	-81 248.81
Fiscal adaption due to earnings from target funds Class B ¹	-442 498.80
Fiscal adaption due to earnings from target funds Class V ¹	-53 797.92
Realized result	-187 631.95
Unrealized capital gains and losses	-1 349 423.09
Total result	-1 537 055.04

Allocation of result

	27.7.2017-31.12.2018
	CHF
Net income of the financial year	389 913.58
Available for distribution	389 913.58
Less federal withholding tax ³	-136 469.75
Net income retained for reinvestment	-253 443.83
Balance carried forward	0.00

¹ according to circular 24 No. 2.9. FTA

² Realized capital gains and losses may include income and expenses which were received from Swinging Single Pricing

³ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied for V Class, the distribution will take place without deduction of withholding tax.

Changes in net fund assets

27.7.2017-31.12.2018

	CHF
Net fund assets at the beginning of the financial year	0.00
Balance of unit movements	35 402 709.82
Total result	-1 537 055.04
Net fund assets at the end of the reporting period	33 865 654.78

Development of the outstanding units

27.7.2017-31.12.2018

Class B	Number
Situation at the beginning of the financial year	0.0000
Units issued	317 207.8880
Units redeemed	-8 880.0770
Situation at the end of the period	308 327.8110

Difference between units issued and units redeemed 308 327.8110

Class V	Number
Situation at the beginning of the financial year	0.0000
Units issued	38 746.4980
Units redeemed	-812.4000
Situation at the end of the period	37 934.0980

Difference between units issued and units redeemed 37 934.0980

Net income retained for reinvestment (accumulation)

Class B

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.1275
Less federal withholding tax	CHF	-0.3946
Net accumulation per unit	CHF	0.7329

Class V

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.1137
Less federal withholding tax ¹	CHF	-0.3898
Net accumulation per unit	CHF	0.7239

¹ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied, the distribution will take place without deduction of withholding tax.

Inventory of Fund assets

Security	27.7.2017 Quantity/ Nominal	Purchases ¹	Sales ²	31.12.2018 Quantity/ Nominal	Market value ³ in CHF	in % ³	Thereof in lending Quantity/Nominal
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Securities traded on an exchange

Investment certificates, open end

Global							
UBS ETF-MSCI EMERG MRKT SOC RESPONSIBLE UCITS ETF-USD-A-DIST*	USD	114 100	20 000	94 100	1 194 522	3.53	
UBS ETF MSCI WORLD SOCIALLY RESPONSIBLE-A-DIS*	USD	82 250	14 150	68 100	5 560 490	16.41	
Total Global					6 755 012	19.94	
Total Investment certificates, open end					6 755 012	19.94	
Total Securities traded on an exchange					6 755 012	19.94	

Securities traded neither on an exchange nor on a regulated market

Investment certificates, open end

Global							
CROWN SIGMA-LGT SUSTAINABLE BOND GLOBAL SUB-FUND-C-EUR-ACC**	EUR	3 660		3 660	4 120 553	12.16	
ETHOS-BONDS INTERNATIONAL-E-DISTRIBUTION**	CHF	2 720	2 720				
RAIFFEISEN FUTURA SWISS FRANC BOND-I-DISTRIBUTION**	CHF	9 820	9 820				
Total Global					4 120 553	12.16	
Switzerland							
BKB CLER SUSTAINABLE - EQUITY SWITZERLAND (CHF) I2**	CHF	1 039	24	1 015	9 687 992	28.60	
BKB CLER SUSTAINABLE - BONDS CHF DOMESTIC I2**	CHF	684	44	640	6 401 914	18.90	
BKB CLER SUSTAINABLE - BONDS CHF FOREIGN I2**	CHF	358	8	350	3 472 900	10.25	
PICTET-ETHOS (CH) SW SUST-I-DY-DISTRIBUTIVE**	CHF	7 230	7 230				
VONTOBEL FUND (CH) - ETHOS EQUITIES SWISS MID & SMALL-A-CHF**	CHF	5 800	2 800	3 000	991 890	2.93	
Total Switzerland					20 554 695	60.67	
Total Investment certificates, open end					24 675 248	72.83	
Total Securities traded neither on an exchange nor on a regulated market					24 675 248	72.83	
Total securities and similar instruments					31 430 260	92.77	
(thereof in lending)						0.00	
Bank deposits at sight					2 444 922	7.22	
Other assets					3 424	0.01	
Total fund assets					33 878 606	100.00	
Short-term bank liabilities					-49		
Other liabilities					-12 902		
Net fund assets					33 865 655		

Valuation categories

	Market value as of 31.12.2018	in % of the total fund assets ³
Investments valued at prices paid on the main market	6 755 012	19.94
Investments valuation based on market-observed parameters	24 675 248	72.83
Investments valued with suitable valuation models taking account of the current market circumstances	-	-
Total	31 430 260	92.77

¹ Purchases include the following transactions: allotment from subscription / allotment from option rights / option rights / allotment of subscription rights from underlying stocks / bonus securities / change of corporate names / conversions / purchases / share exchange between companies / stock splits / stock dividends / optional dividends / transfers / transfer due to redenomination in euro / subscriptions in kind

² Sales include the following transactions: cancellation as a result of expiry / draws by lot / exercise of rights / options / repayments / reverse-splits / sales / share exchange between companies / transfers / transfer due to redenomination in euro / redemptions in kind

³ Divergences in the totals may be attributed to rounding differences

* valued at prices paid on the main market (art. 88 para. 1 CISA)

** valuation based on market-observed parameters

Derivative financial instruments

CISO-FINMA Art. 23

Transactions in derivatives on currencies during the period under review

Sale Currency	Sale Amount	Purchase Currency	Purchase Amount	Maturity
USD	220 000	CHF	218 654	06.06.2018

Forward exchange transactions

USD	220 000	CHF	218 654	06.06.2018
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Supplementary information

Derivative financial instruments

Risk assessment process Commitment approach I:
Art. 34 CISO-FINMA

There were no contracts in derivative financial instruments open at balance sheet date.

Securities Lending

The fund management company does not conduct any securities lending.

Repurchase agreements

The fund management company does not conduct any repurchase agreements.

Remuneration of the Fund Management

Flat fee

- Actual flat fee:
 - Class B:¹⁾ 0.92% p.a.
 - Class V: 1.00% p.a.
- Maximum flat fee as specified in the fund contract:
 - Class B: 1.50% p.a.
 - Class V: 1.50% p.a.

based on the average net fund assets.

Any management commission charged by the target funds in which investments are made may not exceed 3%, taking into account any retrocessions and discounts.

Soft Commission Arrangements

The fund management company has not concluded any arrangements in the form of "soft commission arrangements".

¹⁾ The actual flat fee increased from 0.84% to 0.91% p.a. on 09.01.2018 and from 0.91% to 1% p.a. on 04.10.2018.

Total Expense Ratio (TER)

This ratio was calculated in accordance with the SFAMA's "Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes" in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

Composed TER annualized:

Class B:	1.18%*
Class V:	1.23%*

* The target funds BKB CLER SUSTAINABLE - BONDS CHF DOMESTIC I2, BKB CLER SUSTAINABLE - BONDS CHF FOREIGN I2 and BKB CLER SUSTAINABLE - EQUITY SWITZERLAND (CHF) I2 do not publish a TER according to industry standards. The part of composed TER is calculated in accordance with the current version of the SFAMA's "Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes".

Issue and redemption price

If, on any one order day, the sum of subscriptions and redemptions of units in the sub-fund result in a net inflow or outflow, the sub-fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the sub-fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value.

Valuation principles and calculation of the net asset value

See appendix to supplementary information.

Exchange rates

EUR 1 = CHF 1.125555 USD 1 = CHF 0.984350

BKB Anlagelösung – Nachhaltig Wachstum (CHF)

Category Other Funds for Traditional Investments

Most important figures

	ISIN	31.12.2018
Net fund assets in CHF		7 217 699.86
Class B	CH0369658486	1
Net asset value per unit in CHF		96.82
Issue and redemption price per unit in CHF ²		96.97
Number of units outstanding		66 866.3220
Class V	CH0432492533	3
Net asset value per unit in CHF		94.93
Issue and redemption price per unit in CHF ²		95.07
Number of units outstanding		7 831.3830

¹ Initial subscription: 27.7.2017

² see Supplementary information

³ Initial subscription: 26.11.2018

Performance

	Currency	2018
Class B ^{1/2}	CHF	-8.0%
Class V ^{1/3}	CHF	-

¹ The sub-fund (in accordance with the fund contract) does not have a benchmark, which means that the performance of the sub-fund cannot be compared with a benchmark.

² Performance was calculated for the period from 31.12.2017 to 31.12.2018.

³ Due to the launch of the unit class during the financial year, no historical performance data is available.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming units.

Report of the Portfolio Manager

At the beginning of last year, the initial conditions were positive. Economic indicators were pointing towards solid growth. The financial markets, however, were dominated by uncertainties about the course of world politics going forward. The strong fluctuations in equities were not a surprise, but our expectations were disappointed by the at times significant declines in share prices. The trend towards slightly higher interest rates in Europe and Switzerland failed to materialise.

The sub-fund held a slight overweight in equities in the reporting period. In the area of bonds, CHF bonds were significantly underweighted and global bonds kept neutral. The slight overweight in equities had a negative impact on the performance of the sub-fund.

Structure of the securities portfolio

The positions in % of total assets	
BKB Cler Sustainable – Equity Switzerland	28.16
UBS – ETF MSCI World Socially Responsible	23.35
Pictet – Ethos CH Switzerland Sustainable-I-Dy-Distributive	16.23
Crown Sigma – LGT Sustainable Bond Global	7.22
UBS ETF – MSCI Emerging Market Soc Responsible UCITS ETF	6.59
BKB Cler Sustainable – Bonds CHF Domestic	6.10
BKB Cler Sustainable – Bonds CHF Foreign	3.30
Vontobel Fund (CH) – Ethos Equities Swiss Mid & Small	2.24
Total	93.19

There may be differences in the way the percentages mentioned above are rounded off.

Statement of assets

	31.12.2018
Market values	CHF
Bank deposits	
– at sight	486 343.45
Securities	
– Units of other collective investment schemes	6 728 511.80
Other assets	5 398.39
Total fund assets	7 220 253.64
Other liabilities	-2 553.78
Net fund assets	7 217 699.86

Statement of income

	27.7.2017-31.12.2018
Income	CHF
Income from bank assets	423.24
Negative interest	-744.51
Income from securities	
– from units of other collective investment schemes	65 225.54
Purchase of current net income on issue of units	-4 537.84
Total income	60 366.43
Expenses	
Interest payable	-38.19
Commission remuneration of the Fund Management in accordance with the fund contract Class B	-55 610.82
Commission remuneration of the Fund Management in accordance with the fund contract Class V	-560.92
Fiscal adaption due to earnings from target funds Class B ¹	102 057.04
Fiscal adaption due to earnings from target funds Class V ¹	11 735.52
Other expenses	-2 231.13
Payment of current net income on redemption of units	-91.50
Total expenses	55 260.00
Net income	115 626.43
Realized capital gains and losses ²	17 221.73
Fiscal adaption due to earnings from target funds Class B ¹	-102 057.04
Fiscal adaption due to earnings from target funds Class V ¹	-11 735.52
Realized result	19 055.60
Unrealized capital gains and losses	-429 595.02
Total result	-410 539.42

Allocation of result

	27.7.2017-31.12.2018
	CHF
Net income of the financial year	115 626.43
Available for distribution	115 626.43
Less federal withholding tax ³	-40 469.25
Net income retained for reinvestment	-75 157.18
Balance carried forward	0.00

¹ according to circular 24 No. 2.9. FTA

² Realized capital gains and losses may include income and expenses which were received from Swinging Single Pricing

³ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied for V Class, the distribution will take place without deduction of withholding tax.

Changes in net fund assets

27.7.2017-31.12.2018

	CHF
Net fund assets at the beginning of the financial year	0.00
Balance of unit movements	7 628 239.28
Total result	-410 539.42
Net fund assets at the end of the reporting period	7 217 699.86

Development of the outstanding units

27.7.2017-31.12.2018

Class B	Number
Situation at the beginning of the financial year	0.0000
Units issued	76 622.2640
Units redeemed	-9 755.9420
Situation at the end of the period	66 866.3220

Difference between units issued and units redeemed 66 866.3220

Class V	Number
Situation at the beginning of the financial year	0.0000
Units issued	7 836.3830
Units redeemed	-5.0000
Situation at the end of the period	7 831.3830

Difference between units issued and units redeemed 7 831.3830

Net income retained for reinvestment (accumulation)

Class B

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.5509
Less federal withholding tax	CHF	-0.5428
Net accumulation per unit	CHF	1.0081

Class V

Reinvestment on 11.3.2019

Gross accumulation	CHF	1.5224
Less federal withholding tax ¹	CHF	-0.5328
Net accumulation per unit	CHF	0.9896

¹ In case, the reporting procedure in accordance with circular 24, No. 2.4. of the Federal Tax Administration in relation with Art. 26a of the Ordinance on the Swiss Federal Withholding Tax is applied, the distribution will take place without deduction of withholding tax.

Inventory of Fund assets

Security	27.7.2017 Quantity/ Nominal	Purchases ¹	Sales ²	31.12.2018 Quantity/ Nominal	Market value ³ in CHF	in % ³	Thereof in lending Quantity/Nominal
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Securities traded on an exchange

Investment certificates, open end

Global							
UBS ETF-MSCI EMERG MRKT SOC RESPONSIBLE UCITS ETF-USD-A-DIST*	USD	43 300	5 800	37 500	476 032	6.59	
UBS-ETF MSCI WORLD SOCIALLY RESPONSIBLE-A-DIS*	USD	26 620	5 970	20 650	1 686 110	23.35	
Total Global					2 162 142	29.95	
Total Investment certificates, open end					2 162 142	29.95	
Total Securities traded on an exchange					2 162 142	29.95	

Securities traded neither on an exchange nor on a regulated market

Investment certificates, open end

Global							
CROWN SIGMA-LGT SUSTAINABLE BOND GLOBAL SUB-FUND-C-EUR-ACC**	EUR	463		463	521 261	7.22	
ETHOS-BONDS INTERNATIONAL-E-DISTRIBUTION**	CHF	460	460				
RAIFFEISEN FUTURA SWISS FRANC BOND-I-DISTRIBUTION**	CHF	850	850				
Total Global					521 261	7.22	
Switzerland							
BKB CLER SUSTAINABLE - EQUITY SWITZERLAND (CHF) I2**	CHF	238	25	213	2 033 047	28.16	
BKB CLER SUSTAINABLE - BONDS CHF DOMESTIC I2**	CHF	51	7	44	440 132	6.10	
BKB CLER SUSTAINABLE - BONDS CHF FOREIGN I2**	CHF	27	3	24	238 142	3.30	
PICTET-ETHOS (CH) SW SUST-I-DY-DISTRIBUTIVE**	CHF	10 595	2 395	8 200	1 171 780	16.23	
VONTOBEL FUND (CH) - ETHOS EQUITIES SWISS MID & SMALL-A-CHF**	CHF	1 522	1 032	490	162 009	2.24	
Total Switzerland					4 045 109	56.02	
Total Investment certificates, open end					4 566 370	63.24	
Total Securities traded neither on an exchange nor on a regulated market					4 566 370	63.24	
Total securities and similar instruments					6 728 512	93.19	
(thereof in lending)						0.00	
Bank deposits at sight					486 343	6.74	
Other assets					5 399	0.07	
Total fund assets					7 220 254	100.00	
Other liabilities					-2 554		
Net fund assets					7 217 700		

Valuation categories

	Market value as of 31.12.2018	in % of the total fund assets ³
Investments valued at prices paid on the main market	2 162 142	29.95
Investments valuation based on market-observed parameters	4 566 370	63.24
Investments valued with suitable valuation models taking account of the current market circumstances	-	-
Total	6 728 512	93.19

¹ Purchases include the following transactions: allotment from subscription / allotment from option rights / option rights / allotment of subscription rights from underlying stocks / bonus securities / change of corporate names / conversions / purchases / share exchange between companies / stock splits / stock dividends / optional dividends / transfers / transfer due to redenomination in euro / subscriptions in kind

² Sales include the following transactions: cancellation as a result of expiry / draws by lot / exercise of rights / options / repayments / reverse-splits / sales / share exchange between companies / transfers / transfer due to redenomination in euro / redemptions in kind

³ Divergences in the totals may be attributed to rounding differences

* valued at prices paid on the main market (art. 88 para. 1 CISA)

** valuation based on market-observed parameters

Supplementary information

Derivative financial instruments

Risk assessment process Commitment approach I:
Art. 34 CISO-FINMA

There were no contracts in derivative financial instruments open at balance sheet date.

Securities Lending

The fund management company does not conduct any securities lending.

Repurchase agreements

The fund management company does not conduct any repurchase agreements.

Remuneration of the Fund Management

Flat fee

- Actual flat fee:
 - Class B:¹⁾ 0.86% p.a.
 - Class V: 0.92% p.a.
- Maximum flat fee as specified in the fund contract:
 - Class B: 1.50% p.a.
 - Class V: 1.50% p.a.

based on the average net fund assets.

Any management commission charged by the target funds in which investments are made may not exceed 3%, taking into account any retrocessions and discounts.

Soft Commission Arrangements

The fund management company has not concluded any arrangements in the form of “soft commission arrangements”.

¹⁾ The actual flat fee increased from 0.84% to 0.92% p.a. on 04.10.2018.

Total Expense Ratio (TER)

This ratio was calculated in accordance with the SFAMA's “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

Composed TER annualized:

Class B:	1.18%*
Class V:	1.24%*

* The target funds BKB CLER SUSTAINABLE - BONDS CHF DOMESTIC I2, BKB CLER SUSTAINABLE - BONDS CHF FOREIGN I2 and BKB CLER SUSTAINABLE - EQUITY SWITZERLAND (CHF) I2 do not publish a TER according to industry standards. The part of composed TER is calculated in accordance with the current version of the SFAMA's “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes”.

Issue and redemption price

If, on any one order day, the sum of subscriptions and redemptions of units in the sub-fund result in a net inflow or outflow, the sub-fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the sub-fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value.

Valuation principles and calculation of the net asset value

See appendix to supplementary information.

Exchange rates

EUR 1 = CHF 1.125555 USD 1 = CHF 0.984350

Appendix to Supplementary information

Valuation of the sub-fund's assets and calculation of the net asset value

Valuation of the sub-fund's assets

1. The net asset value of the individual classes (rates), shall be calculated in the accounting currency of the respective sub-fund at market value as of the close of the financial year and for each day on which units are issued or redeemed (valuation net asset value). The individual sub-funds' assets are not calculated on days when the stock exchanges or markets in the fund's main investment countries are closed (e.g. bank and stock exchange holidays).
2. Investments listed on a stock exchange or traded on another regulated market open to the public are valued at the current prices paid on the main market. Other investments or investments for which no current market price is available are valued at the price likely to be obtained if a sale were conducted with proper care at the time of the valuation. In such cases the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. Open-end collective investments are valued at their redemption price or net asset value. If they are regularly traded on a stock exchange or another regulated market open to the public, the fund management company may value them pursuant number 2.
4. The value of money market instruments which are not listed on a stock exchange or traded on another regulated market open to the public is calculated as follows: The valuation of the investments is based on the respective yield curve. The valuation based on the yield curve comprises the two components of interest rate and spread. Consequently, the following principles are applied: For each money market instrument, the next rates of interest in respect of the residual term are intrapolated. The rate of interest thus established is converted into a market rate, adding a spread which reflects the creditworthiness of the underlying borrower. This spread is adjusted in the event of a significant change in the borrower's credit rating.
5. Bank deposits are valued at their exposure amount plus accrued interest. In the event of significant changes in market conditions or the credit rating, the valuation basis for bank term deposits is adjusted in line with the new conditions.
6. Derivative financial instruments listed on a stock exchange or traded on another regulated market open to the public are valued at the current prices paid on the main market. Derivative financial instruments not listed on a stock exchange or traded on another regulated market open to the public (OTC derivatives) shall be valued at the price likely to be obtained if a sale were conducted with proper care at the time of the valuation. In such cases the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
7. The percentages of the market value of a sub-fund's net assets (sub-fund assets less liabilities) which be attributed to the respective unit classes are determined for the first time with the initial issue of multiple unit classes (if they are issued simultaneously) or the initial issue of an additional unit class, on the basis the inflows to the sub-fund for each unit class. The following events trigger a recalculation of percentage:
 - a) upon issue and redemption of units;
 - b) on the cut-off date for distributions, provided (i) such distributions accrue only to individual unit classes (distribution classes) or provided (ii) the distributions of various unit classes as a percentage of the respective net asset value differ, or provided (iii) different commission or cost charges accrue on the distributions of various unit classes as a percentage of the distribution;
 - c) for the calculation of the net asset value, in terms of the allocation of liabilities (including costs commissions which are due or have accrued) to the various unit classes, provided the liabilities various unit classes vary as percentages of their respective net asset values, namely if (i) different commission rates are applied for the different unit classes or if (ii) class-specific cost charges arise;
 - d) for the calculation of net asset value, in terms of the allocation of income or investment income to the various unit classes, provided the income or investment income accrues from transactions which were carried out in the interest of one unit class or in the interest of several unit classes, but not in proportion to their share of a sub-fund's assets.

Basis of net asset value calculation

The net asset value of a unit of a class represents the percentage constituted by the unit class concerned of the market value of the sub-fund, less all the liabilities of this sub-fund allocated to the respective unit class, divided by the number of units of the relevant class in circulation. It will be rounded to 0.01 in the relevant currency.

Maximum management fee rate for the target funds in which the sub-fund is invested

Target Funds	
AXA IM SWISS FD-BONDS CHF-I AC-CAP	0.35%
AXA WORLD FUNDS SICAV – US HIGH YIELD BONDS I CAP	1.00%
BKB CLER SUSTAINABLE – BONDS CHF DOMESTIC I2	1.50%
BKB CLER SUSTAINABLE – BONDS CHF FOREIGN I2	1.50%
BKB CLER SUSTAINABLE – EQUITY SWITZERLAND (CHF) I2	1.50%
BLACKROCK GLBAL FUNDS-LOCAL EMG MKTS LCAL CUR BND FND-I2-CAP	0.75%
CREDIT SUISSE INSTITUTNL FND-SWITZRLND BOND INDEX AAA-BBB-FA	1.50%
CROWN SIGMA-LGT SUSTAINABLE BOND GLOBAL SUB-FUND-C-EUR-ACC	0.45%
CSIF EQ SW TTL MKT BLUE-QA-CHF-DISTRIBUTIVE	1.30%
CSIF SWITZERLAND BOND INDEX AAA-BBB 1-5 Y-FA-CHF-DIST	1.50%
GAM MULTIBOND SICAV – LOCAL EMERGING BOND-C	1.32%
Goldman Sachs F. SICAV – Global CORE Equity PF - Class I Shares (Acc.) (Close)	0.50%
ISHARES ETF (CH) – ISHARES CHF CORPORATE BOND (CH)-A	1.00%
ISHARES ETF – CORE SPI (R)(CH)-ETF	1.00%
ISHARES GLOBAL GOVERNMENT BOND UCITS ETF-USD	0.25%
iShares Gold Producers UCITS ETF	0.55%
ISHARES III PLC MSCI WORLD-UCITS ETF-ACC	0.20%
ISHARES NASDAQ 100 UCITS ETF USD ACC	0.33%
PICTET – ETHOS CH SW SUST-I-DY-DISTRIBUTIVE	0.70%
PICTET – GLOBAL BONDS-USD-I-CAP	0.50%
PICTET – SWISS MID-SMALL CAP-I	0.90%
RAIFFEISEN FUTURA SWISS FRANC BOND-I-DISTRIBUTION	0.35%
SPDR BLOOMBERG BARCLAYS EMERGING MARKETS LOCAL BONDS UCITS ETF	0.55%
SSGA GLOBAL TREASURY INDEX BOND-I-ACC	0.03%
SWISSCANTO (CH) INDEX BOND FUND TOTAL MARKET AAA-BBB CHF	0.35%
SWISSCANTO CH IDX BND FD-TOTAL MKT AAA-BBB 1-5-GT-CHF-CAP	0.35%
SWISSCANTO CH INDEX EQUITY FUND SWITZERLAND TOTAL II-GT-CHF	0.35%
SWISSCANTO CH MSCI WORLD EX SWITZERLAND INDEX FND-GT USD-CAP	0.35%
UBAM-CORPORATE US DOLLAR BOND-IC-CAPITALISATION-USD	0.20%
UBS (CH) INST FUND – EQUITIES EMERG MKTS GLOBAL PASSIVE II IA2	1.30%
UBS (CH) INV FUND – BONDS CHF AUSLAND MED TERM PASSIVE I-A1	1.30%
UBS (CH) INV FUND – BONDS CHF INLAND MED TERM PASSIVE I-A1	1.30%
UBS ETF (CH) – SPI (CHF) A-DIS	0.80%
UBS ETF-MSCI EMERG MRKT SOC RESPONSIBLE UCITS ETF-USD-A-DIST	0.35%
UBS ETF-MSCI WORLD SOCIALLY RESPONSIBLE-A-DIS	0.25%
VONTOBEL FNDD CH-ETHOS EQUITIES SWISS MID & SMALL-A-CHF	2.50%