BLKB (CH) Sustainable Property Fund

Annual Report as at 31 December 2025

Contractual investment fund under Swiss law of the type "Real Estate Fund" for qualified investors

BLKB
Fund Management

Key figures at a glance

The financial year is shorter because the launch took place on 30 July 2025 (reporting period 30 July 2025 to 31 December 2025).

Key data		
ISIN		CH1352948090
Security number		135294809
Year founded		2025
		31.12.2025
Units in circulation	Number	1,300,000
Issue of fund units	Number	1,300,000
Redemption of fund units	Number	none
Redeemed units	Number	none
Net asset value per unit (before distribution)	CHF	99.41
Over-the-counter price	CHF	103.00

Statement of net assets		31.12.2025
Market value of the properties	CHF	179,516,000
Average discount rate		2.76%
Gross asset value (GAV)	CHF	183,030,678
Weighted average term of debt	Years	0.45
Interest on debt capital		0.66%
Net asset value (NAV)	CHF	129,236,046

Income statement		30.7.2025–31.12.2025
Rental income	CHF	2,634,979
Repairs and maintenance	CHF	–122,622
Net income	CHF	1,611,962
Realised capital gains and losses	CHF	0
Unrealised capital gains and losses	CHF	–1,051,916
Total net income	CHF	– 763,954

Key figures:	31.12. 2025[1]
Distribution per unit	CHF 1.20
Dividend yield, annualised	2.80%
Payout ratio	96.78%
Return on equity (ROE)	–0.59%
Return on invested capital (ROIC)	–0.32%
Investment yield	–0.59%
Net return on completed buildings	3.21%
Operating profit margin (EBIT margin)	68.47%
Fund operating expense ratio GAV (TER_{REF} GAV)	0.74%
Fund operating expense ratio MV (TER_{REF} MV)	1.00%
Performance	3.00%
Premium	3.61%
Borrowing	28.13%
Gearing	29.39%
Rent default rate	3.07%

Sustainability[3]	31.12.2025
Macro location (Wüest Partner, market value-weighted)	3.9
Micro location (Wüest Partner, market value-weighted)	3.7
Public transport quality class (ARE, market value-weighted)	B
Total energy efficiency GEAK A (unit of properties)	25%
Total energy efficiency GEAK B (unit of properties)	69%
Total energy efficiency GEAK C (unit of properties)	6%

		Actual 2024[2]
Energy sources mix (share of renewable energy)		70%
Energy consumption (Scope 1+2)	MWh	1,096
Energy intensity (Scope 1+2)	kWh/m²	40
Greenhouse gas emissions (Scope 1+2)	t CO_2e	66
Intensity of greenhouse gas emissions (Scope 1+2)	kg CO_2e/m²	2.4

1) The key figures were calculated using AMAS's "Key figures of real estate funds" of 13 September 2016 (as at 31 May 2022).
2) Environmentally relevant key figures were calculated using AMAS's "Key figures of real estate funds" of 13 September 2016 (as at 31 May 2022) as well as by applying the best practices laid out in the AMAS Circular 06/2023 of 11 September 2023.
3) The sustainability indicators have not been audited by the auditing company.

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Sales restrictions
The fund manager and the custodian bank can prohibit or restrict the sale, brokerage or transfer of units to natural persons and legal entities in certain countries and territories. No steps have been taken to apply for registration or admission of the fund units in any legal system other than that of Switzerland or to offer such units in any other form to the general public in such a legal system.
In particular, it is not permitted to offer, sell or deliver units of this real estate fund within the US and its territories. Furthermore, it is not permitted to sell units of this real estate fund to US citizens or persons resident or domiciled in the US and/or other natural or legal persons whose income and/or earnings, regardless of its origin, are subject to US income tax, as well as to persons who under US law – in particular in the currently valid versions of Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act – are prohibited from acquiring units of this real estate fund.

Disclaimer on language versions
The Annual Report of the BLKB (CH) Sustainable Property Fund is published in German and English. If the English translation differs from the original German text or if there are different interpretations of it, the German version is authoritative.

Organisation

Fund manager
BLKB Fund Management AG
Baslerstrasse 33, CH-4102 Binningen

Board of Directors
Since 16 September 2025[1]

Patrick Tschudin
Chairman of the Board of Directors
Relevant activities outside the fund manager:
– Basellandschaftliche Kantonalbank, Liestal, Head of Corporate Clients, Executive Board member

René Charrière
External
No relevant activities outside the fund manager

Vacant[2]

Before 16 September 2025

John Häfelfinger
Chairman of the Board of Directors
Relevant activities outside the fund manager:
– Basellandschaftliche Kantonalbank, Liestal, CEO

Patrick Tschudin
Vice-Chairman of the Board of Directors
Relevant activities outside the fund manager:
– Basellandschaftliche Kantonalbank, Liestal, Head of Corporate Clients, Executive Board member

René Charrière
External
No relevant activities outside the fund manager

Executive Board
Michel Molinari
CEO
Relevant activities outside the fund manager:
– Swiss Real Estate Association (SVIT), Zurich, Chairman and Executive Board member
– SVIT School AG, Zurich, Chairman of the Board of Directors
– SVIT Immobilien Forum AG, Zurich, Chairman of the Board of Directors

Dr. Sebastian Hersberger
CFO
No relevant activities outside the fund manager

Portfolio management
BLKB Fund Management AG
Baslerstrasse 33, CH-4102 Binningen
Portfolio manager: Michel Molinari

Custodian bank and paying agent
Banque Cantonale Vaudoise
Place Saint-François 14, CH-1003 Lausanne

Valuation experts
Wüest Partner AG
Bleicherweg 5, CH-8001 Zurich
Persons responsible:
– Andreas Ammann
– Zafer Köroglu

Auditor
PricewaterhouseCoopers Ltd
Birchstrasse 160, CH-8050 Zürich

Market maker
Bank J. Safra Sarasin AG
Elisabethenstrasse 62, CH-4002 Basel

Fund administration
Huwiler Treuhand AG
Bernstrasse 102, CH-3072 Ostermundigen

Property management
Wincasa AG
Theaterstrasse 17, CH-8400 Winterthur

[1] The new composition of the Board of Directors of the fund manager had not yet been entered in the commercial register on the reporting date of 31 December 2025.

[2] John Häfelfinger left the Board of Directors of the fund manager on 16 September 2025. A replacement member has not yet been elected.

Portfolio management report

The fund's development in the first financial year of 2025

Launch on 30 July 2025
With the BLKB (CH) Sustainable Property Fund, the BLKB Fund Management AG launched a real estate fund under Swiss law for the first time. The initial offering consisted of 1,300,000 units at the issue price of CHF 100 per unit plus issuing commission.
Payment was made on 30 July 2025.

The offering's proceeds plus the debt financing were used to acquire a broadly diversified real estate portfolio with a market value of CHF 177.33 million, enabling the fund to generate steady income from day one.

The initial portfolio is characterised by high energy efficiency and a young technical age of ten years on average. All properties in the portfolio use non-fossil energy sources and do not emit any direct CO_2 emissions (Scope 1).

Successful shortened financial year 2025
The BLKB (CH) Sustainable Property Fund, which was newly launched on 30 July 2025, completed its shortened first financial year on 31 December 2025. Thereby showed that the fund's first five months were very successful.

The market value of the initial portfolio of eight properties developed positively in the reporting period (CHF 179.52 million respectively +1.2% on the valuation date of 31 December 2025). The main value driver was the strong investor demand for properties in good locations, which caused the discount rates used to drop slightly.

Rental income in the shortened first financial year was CHF 2.63 million. The portfolio's large share of residential properties (64% of target rental income) had a positive effect on the vacancy rate. As at 31 December 2025, the vacancy rate was 2.5%.

Taking into account the CHF 1.03 million in costs incurred, the EBIT margin comes to 68.47% and an expense ratio (TER_{REF} GAV) of 0.74% in the reporting period.

Net income generated during the shortened 2025 financial year came to CHF 1.61 million or CHF 1.24 per unit.

Particularly as a result of one-off transaction costs from acquiring the initial portfolio resulted in total income of CHF –0.76 million, which corresponds to a investment yield of –0.59%.

Net asset value and distribution
As expected, net asset value during the reporting period were influenced by the one-off transaction costs from acquiring the starting portfolio, although this was partly offset by the portfolio's positive performance. Net fund assets came to CHF 129.2 million as at 31 December 2025, which corresponds to an asset value of CHF 99.41 per unit or a 0.59% decline in the value from the time of the launch.

The fund manager has set the payout ratio for the 2025 financial year at 96.78%, resulting in distributed income of CHF 1.56 million or CHF 1.20 per unit for investors. The remaining net income of CHF 51,962 will be carried forward to the new account. Based on the OTC price of CHF 103.00, the annualised dividend yield of came to 2.80% at the end of the 2025 financial year.

Price and performance development
The low interest rate environment and stable income in the Swiss real estate market maintained the appeal of the real estate asset class and led to strong demand for investment properties in 2025. Real estate investments with a large share of residential properties benefited from this in particular. From 30 July 2025 until 31 December 2025, the unlisted BLKB (CH) Sustainable Property Fund recorded a performance of 3.0% based on the development of the OTC price.

Investment objective and policy
The real estate fund's investment goal is to preserve its assets in the long term and distribute reasonable income by taking sustainable development into account. The fund manager's sustainability goals for the real estate fund aim to contribute directly to more sustainable real estate in Switzerland.

To this end, the fund manager takes a broad sustainability approach for the real estate portfolio based on the "envi-

ronment, social and governance (ESG)" model. This approach ensures that environmental and social criteria as well as aspects of good corporate governance are taken into account in managing and making decisions relating to real estate.

The BLKB (CH) Sustainable Property Fund invests primarily in real estate in Northwestern Switzerland, Zurich, Central Switzerland and Bern. Most of the portfolio is to be invested in residential properties, supplemented by mixed-use and commercial properties.

The fund's properties are owned directly. Income and capital gains from direct real estate holdings are taxed by the real estate fund itself and are therefore generally tax-free for unit holders.

Outlook for the 2026 financial year
The fund manager intends to expand the real estate portfolio in the 2026 financial year. To this end, a first capital increase is envisaged starting in the second half of 2026. The proceeds of the issue are to be used to purchase further BLKB properties in line with its strategy and to repay borrowed capital. The aim is to list the fund on the SIX Swiss Exchange in the medium term.

Economic conditions[1]

Swiss real estate market
Following a brief decline in 2022 and 2023, the Swiss real estate market made a remarkable recovery in 2025. Within a year, quality-adjusted transaction prices for yield-producing residential properties as at 30 September 2025 rose by 7.0%; for commercial properties, they rose by 4.0%. The vacancy rate for residential properties has fallen to a very low level of 1.0%. The reasons for this are sluggish new construction activity and strong population growth (+1.0% per year over the past five years). The SNB cut the key interest rate to 0% by mid-2025, which reduced financing costs and made real estate investments more attractive. Significant yield compression is evident: Net initial yields in the residential segment (quality-adjusted) decreased by 25 basis points and returned to their 2022 low.

Real estate funds benefited above-average from these developments and had sharp price increases within a year. The SXI Real Estate Funds Broad Index ("SWIIT Index"), which includes all real estate funds with primary listing on the SIX Swiss Exchange and at least 75% of their fund assets invested in Switzerland, increased by 10.6% between 1 January 2025 and 31 December 2025. The defensive qualities of the real estate fund that focus on residential space were particularly in demand, with premiums rising on average around 35% by year-end.

In summary, the real estate market benefited from scarce supply, stable rental income and lower financing costs in 2025, but it must be carefully monitored for regulatory changes and economic conditions.

Rental housing market
Despite some changes, the rental housing market in 2025 was tense, with strong demand and limited supply. In the third quarter of 2025, the number of permits for rental apartments increased by +15% compared to the previous year. This could lead to stronger growth in housing supply by 2027. Nevertheless, the number of building permit applications submitted declined (–8% year-on-year), and the momentum in new construction could thus taper off in the medium term. Despite a slight increase in advertised rental apartments (+0.1% in Q3 of 2025 year-on-year), supply remains extremely tight at 3.6%. Particularly affected are units of less than 80 m^2 as well as apartments in the lower- and mid-price range, where the shortage remains acute. The forecast for 2025 indicates a cooling off in the job market and a population growth of around 0.6% (60,000 additional inhabitants), which is less than in previous years. The two-step reduction in the reference interest rate in 2025 to the most recent 1.25% is expected to lead to a slight drop in rents (–0.8%) from existing properties. No further reductions in the reference interest rate are expected in the short term.

This trend shows that affordable and adequate housing remains scarce, especially for smaller households or persons with low income. New building permits and the adjustment of benchmark interest rates could ease the situation in the long term, but the housing market in general in much of Switzerland remains tense in the short term.

Commercial property market
The trend in the commercial property market in Switzerland in 2025 varied due to stagnating growth in employment, modest new construction activity and regional differences in demand.

Demand for office space was dampened by declining employment growth (+0.7% in Q1 of 2025). Relatively few new office space came onto the market, as new construction activity remained at a low level. As a result, advertised office space fell by 4.4% within a year. The rents of properties on the market rose by 1.2% throughout Switzerland. The Zurich and Lake Geneva regions, in particular, saw above-average growth, while Basel and Bern had low growth rates.

Demand for retail space remained steady due to lower inflation, higher wages and persistently low unemployment rates, all of which spurred private consumption. In particular, top locations and properties with unique characteristics stand to benefit from this trend. Prices vary greatly depending on the location. Premium locations posted rising rents, while those in less prominent locations remained under pressure. Bricks-and-mortar retail continued to grow, particularly in the food retail sector.

Allschwil, Bachgrabenweg 16

[1] Sources: Wüest Partner AG and BLKB Fund Management AG

Real estate portfolio

Locations

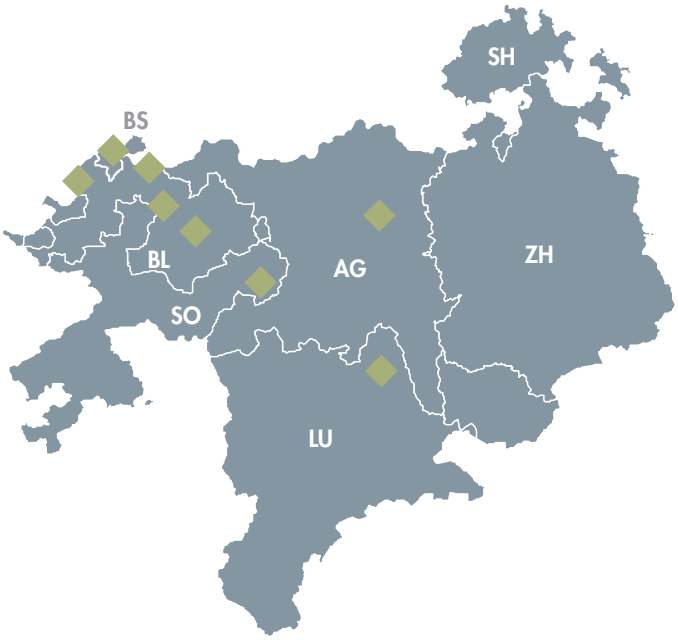
The portfolio of the BLKB (CH) Sustainable Property Fund is a regionally broadly diversified portfolio consisting of eight investment properties in five cantons. Geographically, the properties extend across the monitoring regions of Northwestern Switzerland and Central Switzerland. The focus here is on the regions surrounding the large cities (71% of market values).

Seven properties are located in the monitoring region of Northwestern Switzerland (83% of the market value) and one property is in Central Switzerland (17% of the market value).

Use

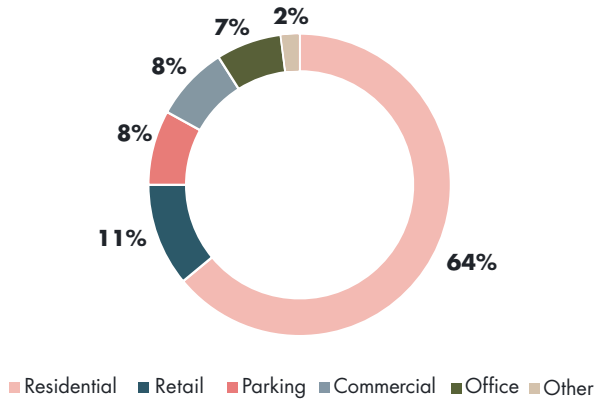
The real estate portfolio of the BLKB (CH) Swiss Property Fund primarily has properties used as residences. Five out of eight properties are residential buildings (53% of the market values) and the other three properties (47% of the market values) are mixed-use buildings. Residential properties accounted for 64.2% of the annual target rent as at 31 December 2025, followed by retail space (10.7%), indoor parking spaces, commercial space (7.7% each), office space (7.2%) and storage space (0.8%). Other uses account for 1.7%.

Locations of the properties



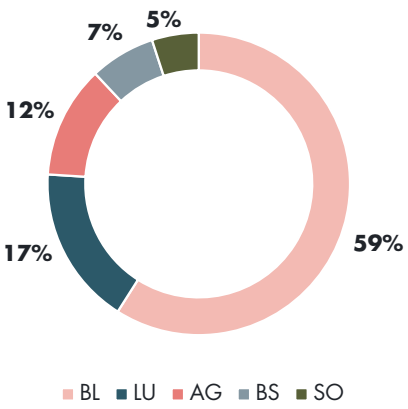
Portfolio distribution by use

Target net rent as at 31 December 2025



Portfolio distribution by canton

Market value weighted as at 31 December 2025



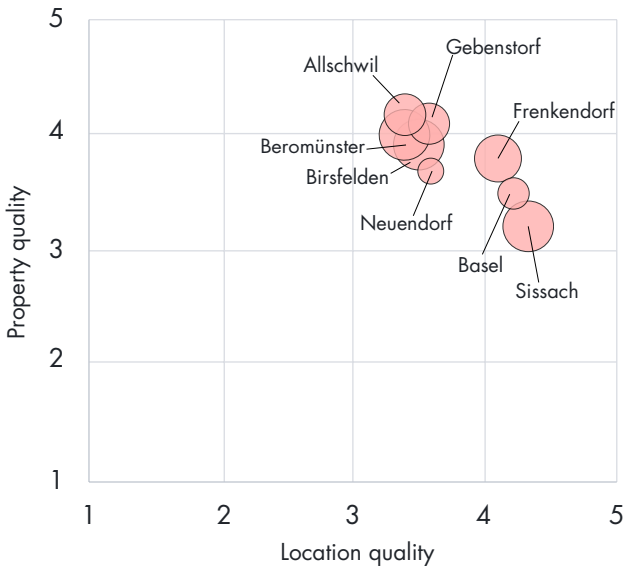
Basel, Markgräflerstrasse 35

Location and property quality
All properties in the portfolio are located in average or very good macro and micro locations (basis: Wüest Partner location rating model: 1.0 worst rating, 5.0 best rating). The portfolio has an overall rating of 3.7 in terms of location quality (macro location: 3.9 / micro location: 3.7).

The average property quality of the portfolio is rated 3.8 by the independent valuation expert Wüest Partner (basis: Assessment of property quality by Wüest Partner: 1.0 worst – 5.0 best). The average quality of use has a 3.4 rating, the average construction standard a 3.5 rating, and the average property condition a 4.5 rating. The latter reflects the young technical age of the properties in the portfolio.

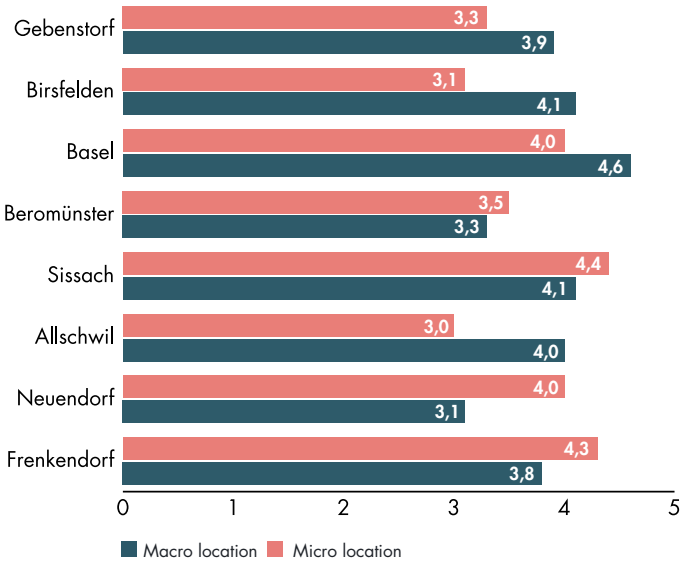
Market matrix, Wüest Partner

Portfolio as at 31 December 2025



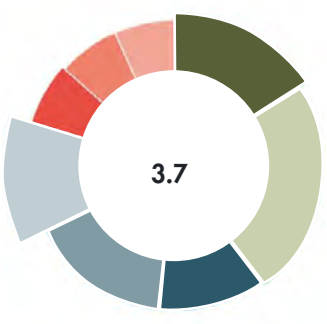
Macro and micro location, Wüest Partner

Portfolio as at 31 December 2025



Quality profile, Wüest Partner

Portfolio as at 31 December 2025



	Rating	Weighting
Overall rating	**3.7**	
Location	**3.7**	**40**
Macro location	3.9	40
Micro location	3.7	60
Property	**3.8**	**40**
Use	3.4	30
Standard	3.6	40
Condition	4.4	30
Investment	**3.6**	**20**
Rentability	3.7	33
Saleability	3.6	33
Income risk	3.6	33

Birsfelden, Rheinfelderstrasse 38/40

Uses, rental price structure and vacancies

The portfolio has 713 rental properties, of which 249 are main properties and 464 are secondary properties, as well as 25,497 m^2 of rentable space (excluding indoor parking spaces).

The 249 main properties are divided into 221 apartments, 13 offices, 10 retail spaces and 5 commercial spaces. The 464 secondary properties include 370 parking spaces and 94 spaces for other use (including outdoor parking and storage).

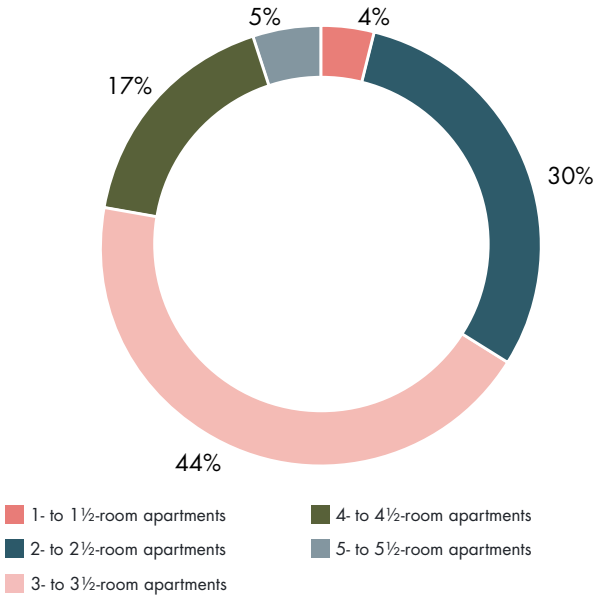
The apartment mix consists of 4% 1- to 1½-room apartments, 30% 2- to 2½-room apartments, 44% 3- to 3½-room apartments, 17% 4- to 4½-room apartments and 5% 5- to 5½-room apartments.

Most of the rents are in the mid-price segment. The average net rent per apartment is CHF 1,577 per month. The average price per square metre for commercial space is CHF 245 per year.

The vacancy rate in the portfolio on the reporting date 31 December 2025 was a low 2.5%. The vacancy rate is based on three main properties (2 apartments, 1 commercial space) and 62 secondary properties.

Housing mix

As at 31 December 2025



Sustainability report

Energy sources mix

70% Renewable energy

Energy intensity

39.8 kWh/m²

Total energy efficiency (GEAK)

A: 25% B: 69% C: 6%

Intensity of greenhouse gas emissions

(Scope 1 and Scope 2)

2.4 kg CO_2e/m²

Sustainability strategy

Sustainability and long-term value creation for investors are integral parts of the strategic orientation of the BLKB (CH) Sustainable Property Fund. The fund manager takes responsibility for the environmental, social and economic effects of its investment and management decisions and uses a comprehensive ESG approach.

Through the sustainability objectives of the fund, the Fund Management Company aims to make a direct contribution to more sustainable real estate in Switzerland. The sustainability strategy is embedded in asset and property management and takes into account the relevant ESG aspects throughout the entire life cycle of the properties – from acquisition and operation through to further development. The objective is to identify risks at an early stage, seize specific opportunities and ensure that the portfolio retains its value in the long term.

The strategy is implemented in particular by:

– systematically applying sustainability criteria in investment and management decisions (ESG integration),
– the climate- and impact-oriented development of the portfolio (climate alignment),
– tracking, managing and reporting on the relevant sustainability indicators transparently.

Sustainability approach and governance

The real estate fund's sustainability approach is based on qualitative and quantitative key performance indicators (KPIs) that are derived from the dimensions relating to the environment, society and governance. These KPIs are regularly analysed, monitored and transparently disclosed in the Annual Report. They serve as management tools for the portfolio and property strategy and provide a basis for transparent communications with internal and external stakeholders.

A structured sustainability assessment is carried out for existing properties and is a part of the acquisition process. The effect of possible investments on the defined sustainability targets is analysed, documented and included when making decisions. The fund pursues an integrative sustainability approach. ESG criteria are an integral part of the investment, operating and risk management processes. Sustainability and climate risks are considered an material risk category and taken into account in the existing risk management process. A specialist sustainability office supports the operational activities and further development of sustainability activities.

Governance ensures that sustainability aspects are adequately managed, monitored and reported.

[1] Sustainability figures from the Asset Management Association Switzerland (AMAS) for the 2024 calendar year, calculated by Alphaprop AG.
The term CO_2 equivalent (CO_2 e) is used to measure and compare greenhouse gas emissions from different sources in a single unit.

Frenkendorf, Niederschönthalstrasse 2

Sustainability goals and measures planning

Measurable targets were defined on the basis of the sustainability strategy, and a coordinated plan was then made for measures to take. The objectives are structured around the three ESG dimensions: Environment, Social and Governance. The real estate fund's main sustainability goals are set out below. The list is not conclusive.

Environment

Greenhouse gas emissions[1]

A key focus is on reducing the properties' greenhouse gas emissions. Decisions are based on emission intensity and absolute CO_2 emissions. The aim is to reach net zero greenhouse gas emissions by 2050.

Measures
- Energy-efficient building renovations
- Install more photovoltaic systems and replace fossil fuels with renewable energy sources

Demand for energy and water

Lower energy and water consumption contributes significantly to reducing operating costs and conserving natural resources. This trend is monitored on the basis of energy intensity, the energy sources mix, and water intensity.

Measures
- Optimise operations, apply resource-efficient construction and operating concepts
- Campaign to make tenants more aware of sustainability issues

Biodiversity

The decline in biodiversity has accelerated dramatically in recent decades. The real estate fund takes biodiversity aspects into account in its real estate management, particularly when designing and managing the properties' exterior spaces.

Measures
- Design green spaces as found in nature and avoid using plant protection products
- Reduce or avoid soil sealing

Resource-efficient construction

The efficient use of non-renewable resources is an important aspect during construction and renovation,
whereby the use of renewable raw materials and secondary raw materials is preferred. This approach reduces the reliance on non-renewable resources.

Measures
- Conserve resources through the reuse of materials and parts of buildings
- Use ecological and resource-efficient building materials

Sissach, Hauptstrasse, 40/42/44

[1] Greenhouse gas emissions are from operations (Scopes 1 and 2); excluded are Scope 3 emissions from operations, tenant electricity, and CO_2 emissions from construction.

Society

Tenant wellbeing

The well-being of tenants is a key component of social sustainability. The quality of the properties and the comfort they offer significantly contribute to their users' satisfaction.

Measures
- Conduct tenant surveys
- Run campaigns to inform and raise awareness about sustainability topics

Location quality

The location quality of a property (macro- and micro-location) is one of the most important criteria. When selecting a property, attention is paid to well-connected locations with suitable infrastructure in close proximity.

Measures
- Use external site and location assessments
- Consideration of location quality in the acquisition process

Mobility

Mobility is a prerequisite for participation in social and economic life. When selecting a property, attention is paid to ensuring that it can be accessed easily by public transport. The aim is resource-efficient mobility with a high level of user comfort.

Measures
- Use external public transport quality ratings
- Promote various mobility offers

Regional value creation

Operating in regional value networks offers enormous benefits for a region. In this way, value is created locally, material and energy cycles are regionalised, and competitive advantages arise through the networks among regional players. The real estate fund considers regional offers and service providers where economically feasible.

Measures
- Consider regional providers and service providers where economically reasonable
- Use local contractors if possible

Governance

Transparency and sustainability labels

Transparent reporting and reliable data are key elements of responsible governance. Systematically recording and evaluating the key sustainability figures makes it possible to manage the portfolio effectively.

Measures
- Report on sustainability regularly
- Use recognised assessment tools and labels such as SSREI and GEAK

Efficiency and risk management

Increasing energy efficiency and structured sustainability risk management contribute to the long-term stability of the portfolio. The real estate fund considers sustainability and climate risks an integral part of its overall risk assessment.

Measures
- Use energy labels and sustainability ratings
- Collect data and evaluate relevant ESG data systematically

External assessment

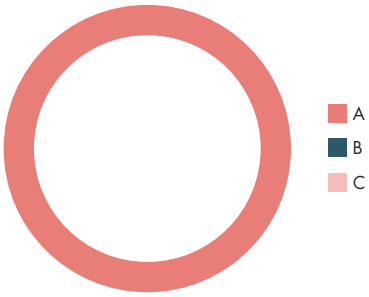
The real estate portfolio of the BLKB (CH) Sustainable Property Fund was assessed externally and evaluated using recognised standards in order to systematically record and compare the current sustainability status of the properties. The cantonal energy certificate for buildings (GEAK) and the Swiss Sustainable Real Estate Index (SSREI) are used as external assessment tools.

Cantonal building energy certificate
The cantonal building energy certificate (GEAK) is the official label of the cantons and classifies the energy class of the building envelope, building technology and direct CO_2 emissions into seven classes (A–G).
The certificate is based on uniform calculation methods. The same criteria and calculation values serve as a basis and apply throughout Switzerland. This enables comparable assessments of buildings.

Building envelope efficiency refers to how well the envelope insulates thermally. This includes the thermal insulation of walls, roofs, floors, windows as well as thermal bridges and the building's shape. Besides the heating requirements, total energy efficiency also includes building technology, electricity requirements and self-generated electricity. The energy sources used are weighted: The use of renewable energies improves the rating of the building. The classification of direct CO_2 emissions (Scope 1) shows how much CO_2 the building emits from heating and hot water and is linked to the building's energy source and efficiency. Zero CO_2 emissions correspond to Class A. The classification does not include upstream emissions, e.g. from electricity and district heating.

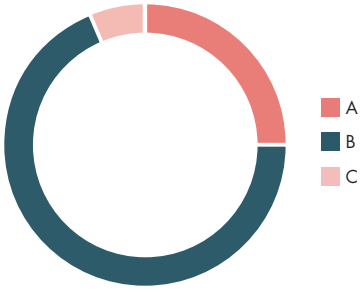
GEAK in the portfolio

Direct CO_2 emissions



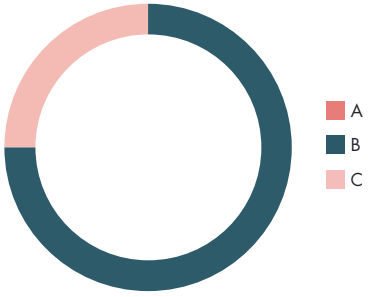
All properties in the portfolio are GEAK-certified and fall under efficiency Class A in terms of direct CO_2 emissions.

Overall energy efficiency



In terms of total energy consumption, 25% of the properties are in efficiency Class A, 69% in efficiency Class B, and 6% in efficiency Class C.

Overall building envelope efficiency



75% of the properties have a building envelope that falls into efficiency Class B, while 25% have ones that fall into Class C.

SSREI

The Swiss Sustainable Real Estate Index (SSREI) assesses the sustainability of the Swiss real estate portfolio. The SSREI helps owners to meet the sustainability requirements of their property and secure its long-term value. The aim is to map the sustainability profile of existing Swiss properties, standardise their ratings, ensure transparency and comparability in this regard, and provide a benchmark. The valuation provides a structured basis for decision-making from which optimisation potential can be identified and suitable measures derived to maintain and increase the properties' value. The index uses the Swiss Sustainable Building Standard (SNBS Hochbau) and has been adjusted accordingly for the existing properties. The defined indicators and requirements allow for a comprehensive assessment of a property's condition and use a bottom-up approach with respect to the dimensions of society, economy and the environment.

Swiss standard for assessing sustainability of the building stock

SSREI Swiss Sustainable Real Estate Index

Certified by

Schweizerische Vereinigung für Qualitäts- und Management-Systeme (SQS)

Recognised by

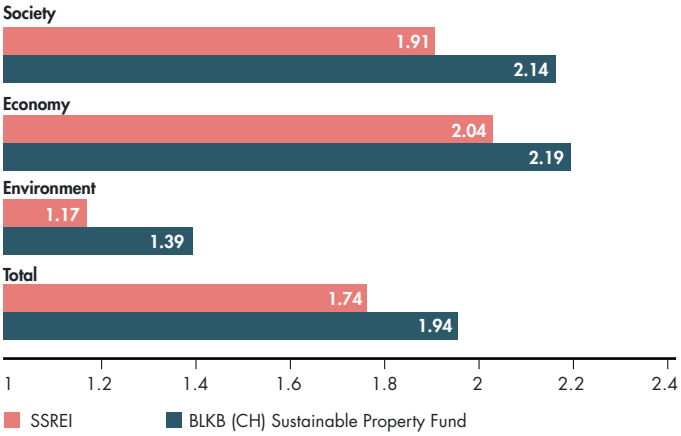
GRESB

SSREI rating in the portfolio

The following chart (top right) shows the aggregated SSREI ratings of the real estate fund by applying the dimensions of society, economy and environment against the SSREI benchmark.

Swiss Sustainable Real Estate Index (SSREI)

Sustainability rating portfolio 2025



The real estate fund's ratings are above the corresponding SSREI benchmarks for society, economy and environment. This indicates that the portfolio's sustainability rating is above average vis-à-vis the reference values used.

Society

The real estate fund has a 2.14 rating for the "society" dimension (benchmark: 1.91). The rating uses 15 indicators, including the quality of the building's envelope, noise pollution, subjective safety, accessibility, as well as the quality, flexibility and density of use. Regarding the society dimension, the assessment indicates that the Fund's properties are above-average in terms of location and use.

Economy

The real estate fund has a 2.19 rating in the "economy" dimension (benchmark: 2.04). Eleven indicators were taken into account, including rental prices, vacancies, operating costs, value retention, exposure to natural hazards, public transport connections as well as maintenance. The rating confirms the solid economic performance of the properties and underscores the portfolio's ability to generate stable income over the long term.

Environment

With a 1.39 rating, the BLKB (CH) Sustainable Property Fund is well above the benchmark of 1.17 in the "environment" dimension. Ten environmental indicators were considered for the rating, including energy demand, construction materials, type of heating, soil sealing, biodiversity and waste separation. The above-average rating, in particular, reflects progress made in energy efficiency and the comparatively high proportion of sustainable energy solutions in the portfolio.

Beromünster, Spittelgass 7/9/11/13

Decarbonisation of the portfolio by 2050

The fund manager's sustainability strategy has specific goals in real estate management. The goal of achieving net-zero greenhouse gas emissions (Scope 1 and 2) must be reached by 2050 at the latest. To reach the climate and energy targets, heating, cooling and electricity generation must switch systematically to renewable energy sources. By 2030, approximately 70% of the real estate portfolio must be decarbonised (Scope 1 and 2 emissions); by 2050, at the latest, it must be fully decarbonised. The cantonal energy certificate for buildings (GEAK) serves as a guide when purchasing properties with low CO_2-emissions and high energy efficiency. All buildings in the portfolio are certified. Buildings with efficiency Classes A to C can be acquired without restrictions. When acquiring a property in Class D or lower, measures must be planned and implemented within five years to bring it up to at least Class C efficiency. Besides the key environmental aspects, especially energy consumption and greenhouse gas emissions, the goals relating to society, environment and governance are defined to ensure that sustainability considerations are fully incorporated.

The current values of the relevant key figures were calculated for the real estate portfolio of the BLKB (CH) Sustainable Property Fund, and short-, medium- and long-term targets were set for the years 2030, 2040 and 2050.

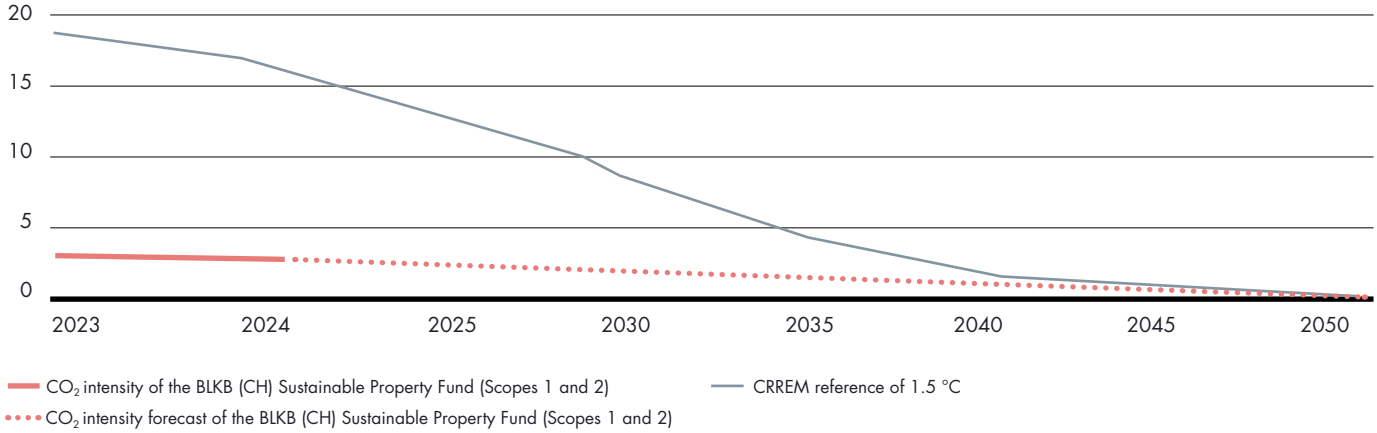
Reduction pathway

The reduction pathway describes the measures for lowering the portfolio's greenhouse gas emissions in the course of time. The fund has set net zero as the target for greenhouse gas emissions. Ambitious targets for greenhouse gas emissions were therefore included in the fund contract.

The figure illustrates the scenario of the previously described investment plan as well as the subsequent refurbishment measures up to 2050. These include energy-efficient building renovations and the replacement of fossil fuels with non-fossil fuels. The Carbon Risk Real Estate Monitor (CRREM) as a reference (blue line) shows a hypothetical emission path for real estate, in line with the 1.5 °C goal of the Paris Agreement.

The red reduction pathway reflects current (up to 2024) and estimated consumption based on historical data and the measures planned. The reduction pathway shown considers the current status of measures and investment planning.
The annual comparison of the actual greenhouse gas intensity of our properties (current) with the CO_2 reduction pathway (target) helps to identify at an early stage whether the greenhouse gas emissions targets can be met or if further measures are needed. This plan will be developed further based on the constantly changing conditions to ensure that the long-term objectives can be reached. The reduction pathway is modelled based on the CRREM framework, reviewed regularly and adjusted as necessary.

Reduction pathway of the overall portfolio
CO_2 intensity in kg/m²



Key figures in detail

Reporting is carried out in accordance with the AMAS guidelines "Key Performance Indicators for Real Estate Funds" dated 13 September 2016 (as of 31 May 2022) and the AMAS best practice outlined in Circular 06/2023 dated 11 September 2023. The consumption data is based on invoices of the main energy suppliers and providers. The fund manager is subject to the AMAS self-regulation on transparency and disclosure of sustainability-related collective assets of 29 April 2024 (Version 2.2).
The greenhouse gas emission factors used are those from the Intep study for the building sector (2024), updated by REIDA. For district heating networks, greenhouse gas emission factors are determined annually on the basis of the energy mix supplied by the energy provider and the emission factors (weighted).

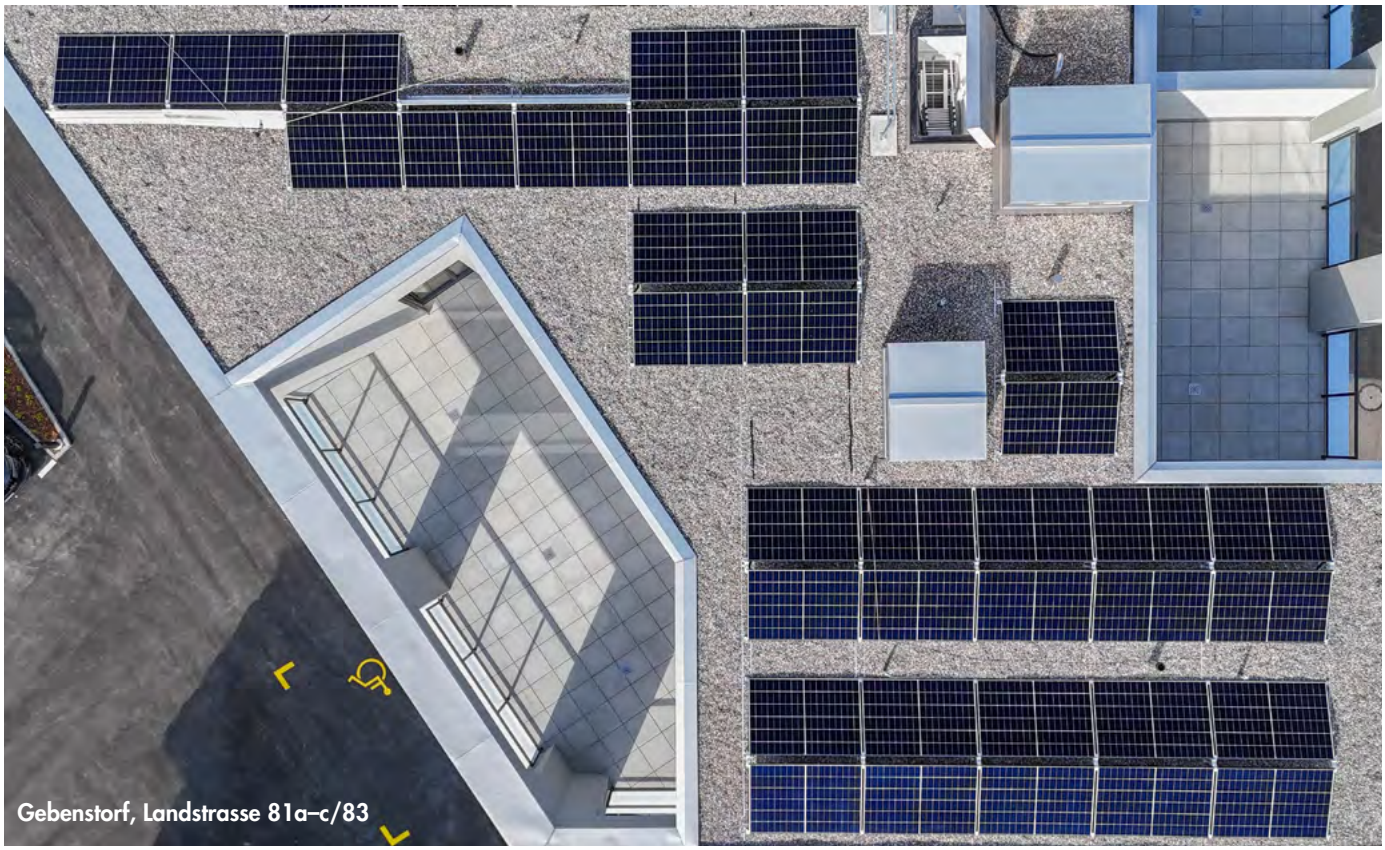
Environment[1]	KPI		Unit	2024
Properties, spaces	Number of properties		Number	7
	Energy reference area (ERA)		m^2	27,550
	Rentable space (RS)		m^2	22,299
Energy[2]	Total energy consumption		MWh	1,096
		Share of renewable	MWh	764
		Share of non-renewable	MWh	332
	Energy mix - non-fossil	Share of renewable		70%
	Coverage			100%
Electricity[2]	Electricity in total		MWh	190
		Share of renewable	MWh	187
		Share of non-renewable	MWh	3
Heating	Heating overall		MWh	906
	District heating overall		MWh	718
		Share of renewable	MWh	419
		Share of non-renewable	MWh	299
	Heat pump overall		MWh	187
		Share of renewable	MWh	158
		Share of non-renewable	MWh	29
Energy intensity[2]	Energy intensity		kWh/m^2_{ERA}	39.8
	Electricity intensity		kWh/m^2_{ERA}	6.9
	Heat intensity		kWh/m^2_{ERA}	32.9
Greenhouse gases	CO_2 emissions	Scopes 1 and 2	t CO_2 e	66
	CO_2 intensity	Scopes 1 and 2	kg CO_2 e/m^2	2.4
Water	Overall water consumption		m^3	21,666
	Water intensity		m^3/m^2	0.8

[1] The property in Gebenstorf was completed in 2025 and is not included in the consumption data for 2024.

[2] Energy and electricity data refer to general electricity excluding tenant electricity.

Society	KPI		Reference value	2025
Location quality	Macro location	Scale 1–5	Market value weighted	3.9
	Micro location	Scale 1–5	Market value weighted	3.7
Mobility	Public transport quality class	Scale A–D	Market value weighted	A: 24% B: 54% C: 22% D: 0%
Tenant wellbeing	Tenant survey	Scale 1–5		N/A, first survey 2026

Governance	KPI		Reference value	2025
GEAK	Energy efficiency class (total energy)	Scale A–G	Number of properties	A: 25% B: 69% C: 6% D – G: 0%
	Average energy-efficiency class	Scale A–G	Number of properties	B
SSREI	Overall rating	Scale 1–3		1.94 (BM 1.74)
	Society	Scale 1–3		2.14 (BM 1.91)
	Economy	Scale 1–3		2.19 (BM 2.04)
	Environment	Scale 1–3		1.39 (BM 1.17)


Gebenstorf, Landstrasse 81a–c/83

Financial report

Notes to the statement of net assets

Evaluation of properties
The independent valuation expert determined CHF 179.5 million as the total market value of the real estate portfolio of the BLKB (CH) Sustainable Property Fund as at 31 December 2025. This comes to an appreciation of 1.2% or CHF 2.2 million compared with the market value of the properties as at 30 July 2025. The average market-value-weighted real discount rate in the valuations is 2.76% and ranges between 2.45% and 2.90%. According to the valuation report, the average gross yield across all properties comes to 3.63%.

Financing
As of December 31, 2025, borrowed capital of CHF 50.5 million was used to finance the portfolio in addition to the equity that accrued in the fund. The borrowing ratio at the end of the financial year was 28.13%. Interest expense in the shortened first financial year came to CHF 145,340 and corresponds to an average annual interest rate of 0.66%. The weighted remaining term of the debt financing is 0.45 years.

Development of NAV
The net fund assets (NAV) as at the financial year's financial statements came CHF 129.2 million (CHF 99.41 per unit), a decrease of 0.59% in the period under review. The NAV was negatively affected by transaction costs incurred in from acquiring the portfolio in the form of purchase commissions (CHF 2.7 million) and property transfer taxes (CHF 0.6 million). These one-off effects were partially offset by the above-mentioned appreciation of real estate in the amount of CHF 2.2 million. Overall, this resulted in an unrealised capital loss of CHF 1.1 million for the shortened financial year. Compared to the over-the-counter trading price of CHF 103.00 as at 31 December 2025, this results in a premium on the NAV of 3.61%.

Properties bought and sold
Besides the portfolio with eight properties acquired on 30 July 2025, no further properties were bought and sold during the period under review.

Notes to the income statement

Rental income and letting
Rental income in the shortened financial year from 30 July 2025 to 31 December 2025 came to CHF 2.6 million. In the same period, BLKB (CH) Sustainable Property Fund recorded a rental loss of CHF 0.09 million, i.e. a low rental default rate of 3.1%. Around 50% of the vacancies are due to the Gebenstorf property, which was completed on 1 August 2025. The vacancy rate in the portfolio on the reporting date of 31 December 2025 was 2.5%. The BLKB (CH) Sustainable Property Fund has a broadly diversified tenant structure without any cluster risks. The ten largest tenants account for 23% of the target net rent, with the largest tenant in the portfolio comprising 5.9%. The weighted average unexpired lease term (WAULT) is 6.3 years.

Operating costs
The costs of property maintenance and repairs during the period under review came to CHF 0.12 million or 4.5% of the portfolio's target net rent. In the first financial year, property expenses came to CHF 0.08 million or 2.9% of the target net rent.

Investments
No large-cycle refurbishments or major repairs were carried out in the shortened first financial year.

Fund-related expenses
Operating expenses (regulatory remuneration as well as valuation and auditing expenses) in the shortened first financial year came to CHF 0.58 million, which corresponds to a TER_{REF} GAV of 0.74%.

Net income and total income
Net income of CHF 1.6 million was generated in the first shortened financial year. One-off transaction costs of CHF 3.3 million were incurred from acquiring the real estate portfolio. As expected, these costs resulted in an unrealised capital loss of CHF 1.1 million in the first shortened financial year. The BLKB (CH) Sustainable Property Fund thus incurred a total loss of CHF 0.8 million, which corresponds to a investment yield of –0.59%.

Gebenstorf, Landstrasse 81a–c/83

Statement of net assets

Assets (in CHF)	31.12.2025[1]
Bank sight deposits	2,582,601
Real estate	
– Building land, including properties for demolition, and buildings under construction	–
– Residential property	95,036,000
– Commercial property	0
– Mixed-use property	84,480,000
Total real estate	179,516,000
Other assets	932,077
Total fund assets	**183,030,678**

Liabilities (in CHF)	31.12.2025[1]
Short-term interest-bearing mortgages and other liabilities secured by mortgage	–40,500,000
Short-term other liabilities	–1,970,632
Long-term interest-bearing mortgages and other liabilities secured by mortgage	–10,000,000
Net fund assets before estimated liquidation taxes	**130,560,046**
Estimated liquidation taxes	–1,324,000
Net fund assets	**129,236,046**

Change in net fund assets (in CHF)	30.7.2025–31.12.2025[1]
Net fund assets at the beginning of the reporting year	0
Distributions paid	0
Balance from share transactions	130,000,000
Total net income	–763,954
Net fund assets at the end of the reporting year	**129,236,046**

Number of units in circulation	30.7.2025–31.12.2025[1]
As at the beginning of the reporting year	0
Units issued	1,300,000
Units redeemed	0
As at the end of the reporting year	**1,300,000**

Net asset value per unit in CHF as of 31.12.2025	**99.41**

[1] The financial year is shortened because the fund was launched on 30 July 2025. The reporting period runs from 30 July 2025 to 31 December 2025.

Income statement

Income (in CHF)	30.7.2025–31.12.2025[1]
Income from bank accounts	0
Rental income	2,634,979
Other income	10,730
Capitalised interest on building loans	0
Current net income paid in on issued units	0
Total income	**2,645,709**

Expenses (in CHF)	30.7.2025–31.12.2025[1]
Mortgage interest and interest from liabilities secured by mortgage	–145,341
Other interest paid	-76
Remuneration for building rights	–36,240
Repairs and maintenance	–122,622
Property management:	
– General and administrative expenses	–21,801
– Property expenses	–77,664
Taxes and duties	–46,824
Auditing expenses	–30,000
Appraisals expenses	–12,463
Remunerations to the following in accordance with the fund regulations:	
– the fund management company	–416,882
– the custodian bank	–16,455
– the real estate manager	–107,311
– the market makers	0
Other expenses	–70
Current net income paid out on redeemed units	0
Total expenses	**–1,033,747**

Net income	**1,611,962**
Realised capital gains and losses	0
Realised net income	**1,611,962**
Unrealised capital gains and losses	–1,051,916
Change in liquidation taxes	–1,324,000
Total net income	**–763,954**

[1] The financial year is shortened because the fund was launched on 30 July 2025. The reporting period runs from 30 July 2025 to 31 December 2025.

Appropriation of Income (in CHF)	30.7.2025–31.12.2025[1]
Net income for the financial year	1,611,962
Capital gains from the financial year intended for distribution	0
Capital gains from previous financial years intended for distribution	0
Balance carried forward from the previous year	0
Income available for distribution	**1,611,962**
Income intended for distribution to investors	–1,560,000
Income retained for reinvestment	0
Carried forward to new account	**51,962**

Distribution of income (in CHF)	30.7.2025–31.12.2025[1]
Distribution date 16 March 2026, payment date 18 March 2026	
To all unit certificate holders	1,560,000
Gross per unit	1.20
Less federal withholding tax	0
Net per unit	1.20

[1] The financial year is shortened because the fund was launched on 30 July 2025. The reporting period runs from 30 July 2025 to 31 December 2025.

Beromünster, Spittelgass 7/9/11/13

Notes

Information about the balance sheet and redeemed units

in CHF	31.12.2025[1]
Balance of depreciation account for land and buildings	0
Balance of provisions account for future repairs	0
Balance of account for income retained	0
Number of units scheduled for redemption at the end of the next accounting year	0

Key figures:

	31.12.2025[1]
Rent default rate	3.07%
Borrowing ratio	28.13%
Operating profit margin (EBIT margin)	68.47%
Fund operating expense ratio GAV (TER_{REF} GAV)	0.74%
Fund operating expense ratio MV (TER_{REF} MV)	1.00%
Return on equity (ROE)	–0.59%
Return on invested capital (ROIC)	–0.32%
Dividend yield	1.17%
Payout ratio	96.78%
Premium	3.61%
Performance	3.00%
Investment yield	–0.59%

The key figures were calculated using AMAS's "Key figures of real estate funds" of 13 September 2016 (as at 31 May 2022).

Information about short-term fixed-income securities, real estate certificates and derivatives
None

Information about units in other real estate funds and real estate investment companies
None

Granted mortgages and other mortgage-backed loans
None

Investments in real estate companies
None

Transactions among collective investment schemes
None

Tenants with rental income > 5%
As at 31 December 2025, the following two tenants accounted for more than 5% of the total rental income:

– Coop Pronto AG with 6.1% of total rental income
– Basellandschaftliche Kantonalbank with 5.4% of total rental income

Transactions with related parties
BLKB Fund Management AG, in Binningen, acting on behalf of the BLKB (CH) Sustainable Property Fund, acquired a real estate portfolio with eight properties from Basellandschaftliche Kantonalbank, in Liestal, on 30 July 2025, by asset transfer pursuant to Art. 69 et seq. of the federal Merger Act. The portfolio was acquired with a cash payment and financed by way of a launch. In its ruling of 22 May 2025, the Swiss Financial Market Supervisory Authority (FINMA) granted an exemption from the ban on transactions with related parties pursuant to Art. 63 para. 4 CISA in conjunction with Art. 32a CISO for the acquisition of a property portfolio from Basellandschaftliche Kantonalbank, Liestal. The real estate values that were the subject of this transaction are shown on page 34 under the heading "Purchases".

[1] The financial year is shortened because the fund was launched on 30 July 2025. The reporting period runs from 30 July 2025 to 31 December 2025.

Mortgages and other mortgage-backed liabilities as well as loans and credits

During the reporting period, the BLKB (CH) Sustainable Property Fund received the following loans. The interest rates are fixed for the entire term.

Term	Interest rate	Balance as at 30. 7.2025 (in CHF)	Transfer (in CHF)	Repayment (in CHF)	Balance as at 31.12. 2025 (in CHF)
Current liabilities					
Due within 12 months					
30.7.2025 – 30.9.2025	0.58%	16,000,000		–16,000,000	
30.7.2025 – 30.9.2025	0.65%	26,000,000		–26,000,000	
30.9.2025 – 01.12.2025	0.58%		16,000,000	–16,000,000	
30.9.2025 – 28.11.2025	0.66%		26,000,000	–26,000,000	
28.11.2025 – 27.2.2026	0.67%		24,500,000		24,500,000
01.12.2025 – 27.2.2026	0.58%		16,000,000		16,000,000
Long-term liabilities					
Due within 1 to 5 years					
30.7.2025 – 30.7.2027	0.78%	10,000,000			10,000,000
Total		**52,000,000**	**82,500,000**	**–84,000,000**	**50,500,000**

Principles for he valuation of fund assets and calculation of the net asset value

Pursuant to § 16 of the fund contract ("Calculating the net asset value and mandating valuation experts"), the net asset value of the real estate fund is calculated in CHF at market value at the end of the financial year and at each unit issue. The net asset value of a unit is calculated from the fund assets' market value, less any liabilities of the real estate fund and taxes likely to be incurred from liquidated fund assets, divided by the number of units outstanding. It is rounded to CHF 0.01.
In accordance with Art. 64 para. 1 CISA, Art. 88 para. 2 CISA, Art. 92 and 93 CISO and the AMAS guidelines for real estate funds, the Fund's properties are regularly valued by independent experts accredited by the supervisory authority using the discounted cash flow (DCF) method. The properties are valued at the price that would be likely to be achieved if they had been sold prudently on the valuation date. When purchasing or selling land that is part of the fund assets, as well as at the end of every financial year, the appraiser must review the market value of such land.
The market value of the individual properties represents a price that can presumably be achieved in the ordinary course of business by assuming prudent buying and selling decisions. On a case-by-case basis, in particular when buying and selling fund properties, potential opportunities are used to the extent possible in the interests of the fund. This can lead to discrepancies in the valuations.
Further details on the valuation methods, quantitative information and market values can be found in the valuation report of the real estate valuators.

Remuneration and additional costs

	30.7.2025–31.12.2025[1]	
At the expense of investors	**Maximum**	**Actual**
Issuing commission for the benefit of the fund manager, custodian bank and/or domestic distributors (as a % of net asset value)	3.00%	1.25%
Redemption commission for the benefit of the fund manager, custodian bank and/or domestic distributors (as a % of net asset value)	2.00%	n.a.

At the expense of the fund assets		
Annual management commission of the fund manager (as a % of average gross asset value)	1.00%	0.55%
Commission for the efforts and costs associated with construction, renovations and conversions (as a % of construction costs)	3.00%	n.a.
Commission for the efforts and costs associated with managing the individual properties (as a % of annual gross rental income)	5.00%	3.94%
Commission for the efforts and costs associated with the purchase and sale of land and properties (as a % of the purchase or sale price)	2.50%	1.50%
Annual commission of the custodian bank (as a % of net asset value)	0.10%	0.03%
Custodian bank's commission for paying out the annual yield to investors (as a percentage of the gross amount of the distribution)	0.50%	n.a.

Total contractual payment obligations after the balance sheet date for land purchases, construction contracts and investments in properties

At the expense of investors (in CHF)	**31.12.2025[1]**
Total contractual payment obligations after the balance sheet date	0

[1] The financial year is shortened because the fund was launched on 30 July 2025. The reporting period runs from 30 July 2025 to 31 December 2025.

Neuendorf, Dorfstrasse 37/37a

Annual Report 2025 | BLKB (CH) Sustainable Property Fund

Property inventory

Place	Address	Canton	Construction year	Form of ownership	Initial costs (in CHF)	Market value (in CHF)	Target rental income[1] (in CHF)	Rental losses[1] (in CHF)	Rental losses[1]	Rental income[1] (in CHF)	Apartments (number)	Parking spaces (number)	Residential space (m²)	Offices/practices (m²)	Retail/shops (m²)	Commercial space (m²)	Other Rental space (m²)	Total Rental space (m²)
Residential buildings																		
Allschwil	Bachgrabenweg 16	Basel-Landschaft	2023	Sole ownership	21,507,850	21,460,000	277,005	2,573	0.93%	274,432	21	24	1,940	0	0	0	94	2,034
Basel	Markgräflerstrasse 35	Basel-Stadt	1975	Sole ownership	11,917,100	11,760,000	162,323	420	0.26%	161,903	27	25	1,678	0	0	0	109	1,787
Beromünster	Spittelgass 7/9/11/13	Lucerne	2019	Sole ownership	30,717,977	30,560,000	443,607	1,490	0.34%	442,117	64	67	3,829	0	0	0	43	3,872
Gebenstorf	Landstrasse 81a–c/83	Aargau	2024	Sole ownership	22,099,458	21,740,000	313,920	38,780	12.35%	269,878	24	51	2,112	0	0	555	256	2,923
Neuendorf	Dorfstrasse 37/37a	Solothurn	1900/2019	Sole ownership	9,613,620	9,516,000	161,074	9,676	6.01%	151,398	17	32	1,725	0	0	0	54	1,779
Total residential buildings					**95,856,005**	**95,036,000**	**1,357,929**	**52,939**	**3.90%**	**1,299,728**	**153**	**199**	**11,284**	**0**	**0**	**555**	**556**	**12,395**
Mixed buildings																		
Birsfelden	Rheinfelderstrasse 38/40, Wartenbergstrasse 49/51/49a	Basel-Landschaft	2021	Sole ownership	30,419,550	30,400,000	428,871	5,223	1.22%	423,649	22	35	1,548	256	0	205	356	2,365
Frenkendorf	Niederschönthalstrasse 2	Basel-Landschaft	2014	Sole ownership	23,568,311	23,280,000	407,590	8,113	1.99%	399,477	20	35	1,857	0	2,625	0	44	4,526
Sissach	Hauptstrasse 40/42/44	Basel-Landschaft	1998/2001	Sole ownership	30,724,050	30,800,000	529,434	17,310	3.27%	512,124	26	131	2,410	2,240	932	0	629	6,211
Total mixed-use buildings					**84,711,911**	**84,480,000**	**1,365,896**	**30,646**	**2.24%**	**1,335,251**	**68**	**201**	**5,815**	**2,496**	**3,557**	**205**	**1,029**	**13,102**

Summary of property inventory

Place	Initial costs (in CHF)	Market value (in CHF)	Target rental income (in CHF)	Rental losses (in CHF)	Rental losses	Rental income (in CHF)	Apartments (number)	Parking spaces (number)	Residential space (m²)	Offices/practices (m²)	Retail space (m²)	Other rental space (m²)	Other rental space (m²)	Total rental space (m²)
Residential buildings	**95,856,005**	**95,036,000**	**1,357,929**	**52,939**	**3.90%**	**1,299,728**	**153**	**199**	**11,284**	**0**	**0**	**555**	**556**	**12,395**
of which in leasehold	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0
of which in condominium ownership	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0
Mixed buildings	**84,711,911**	**84,480,000**	**1,365,896**	**30,646**	**2.24%**	**1,335,251**	**68**	**201**	**5,815**	**2,496**	**3,557**	**205**	**1,029**	**13,102**
of which in leasehold	23,568,311	23,280,000	407,590	8,113	1.99%	399,477	20	35	1,857	0	2,625	0	44	4,526
of which in condominium ownership	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
Total properties	**180,567,916**	**179,516,000**	**2,723,825**	**83,584**	**3.07%**	**2,634,979**	**221**	**400**	**17,099**	**2,496**	**3,557**	**760**	**1,585**	**25,497**
Bank deposits on sight														
Other assets														
Gross asset value		**179,516,000**												

[1] The financial year is shortened due to the launch on 30 July 2025. The reporting period runs from 30 July 2025 to 31 December 2025.

Changes in the portfolio during the reporting period

Place	Address	Property category	Transfer of ownership
Purchases			
Allschwil	Bachgrabenweg 16	Residential buildings	30 July 2025
Basel	Markgräflerstrasse 35	Residential buildings	30 July 2025
Beromünster	Spittelgass 7/9/11/13	Residential buildings	30 July 2025
Birsfelden	Rheinfelderstrasse 38/40, Wartenbergstrasse 49/51/49a	Mixed buildings	30 July 2025
Frenkendorf	Niederschönthalstrasse 2	Mixed buildings	30 July 2025
Gebenstorf	Landstrasse 81a–c/83	Residential buildings	30 July 2025
Neuendorf	Dorfstrasse 37/37a	Residential buildings	30 July 2025
Sissach	Hauptstrasse 40/42/44	Mixed buildings	30 July 2025
Properties sold			
none			

Sissach, Hauptstrasse 40/42/44

Further notifications to investors

Changes to the fund contract
There were no changes to the prospectus with an integrated fund contract during the reporting period.

Information about the change of the fund manager and custodian bank
There was no changes in the fund manager and custodian bank.

Changes to the fund manager's Board of Directors
There was a change in the Board of Directors in the reporting period. Chairman John Häfelfinger resigned on 16 September 2025. Patrick Tschudin, previously vice chairman, took his place[1]

Personnel changes within the fund manager
There were no personnel changes within the fund manager.

Details of legal disputes
There are no pending legal disputes.

Frenkendorf, Niederschönthalstrasse 2

[1] The new composition of the fund manager's Board of Directors had not been entered in the commercial register on the reporting date 31 December 2025. John Häfelfinger resigned from the fund manager's Board of Directors on 16 September 2025. A replacement member has not yet been elected.

Valuation report

Mandate
The properties of Swiss real estate funds must, under the Swiss Federal Act on Collective Investment Schemes (CISA), be appraised by independent experts at the end of each financial year.

The fund manager has thus mandated Wüest Partner to appraise all properties in the BLKB (CH) Sustainable Property Fund for accounting purposes
as at 31 December 2025.

As at the balance sheet date, the portfolio comprised eight portfolio properties (including acquisitions and after sales).

The fund manager and the management companies prepared the documentation for the valuations. The estimates are based on assessments and analyses of these documents, on regular on-site visits, and on evaluations of the general and specific market situation for each property. The valuation experts of Wüest Partner – accredited by FINMA for the BLKB (CH) Sustainable Property Fund – have, in coordination with the fund manager, the full mandate for defining the valuation parameters and entering the data into the software,
carrying out the actual valuation, controlling and submitting results, and they must do so objectively in accordance with the independent valuation mandate.

Valuation standards
Wüest Partner confirms that the valuations comply with the provisions of the Collective Investment Schemes Act (CISA) and Ordinance (CISO), guidelines of the Asset Management Association Switzerland (AMAS), and that they meet the customary industry valuation standards.
The market value reported for each property is understood as its fair value, i.e. the selling price that is likely to be achieved under normal circumstances in the current market environment, without taking any transaction costs into account.

Valuation method and inputs
Wüest Partner valued the properties of BLKB (CH) Sustainable Property Fund using the discounted cash flow (DCF) method, whereby a property's market value is determined by the future sum of the net income over an indefinite valuation period discounted to the reporting date. Discounting is carried out for each property by considering its individual opportunities and risks and adjusting it in line with market conditions and risks.

Market rents, vacancies and discount rates are defined as key inputs, subject in different ways to market trends. If the inputs change, the fair value of the property changes accordingly. On the one hand, interdependent inputs can mutually influence and offset the effects on fair value; on the other hand, such effects can also cumulate. For example, reduced market rents, combined with higher vacancies and higher discount rates, have a cumulative negative effect on a property's fair value. However, due to the regional and property-specific diversification in the portfolio, changes in input factors rarely have a short-term cumulative effect.

The economic environment can be described as the most important factor influencing the inputs. If negative economic factors increase the pressure on market rents, real estate vacancies usually also increase. At the same time, however, interest rates tend to be favourable, i.e. low, in such market situations, which positively affects discount rates.
It can therefore be assumed that input factors will offset each other to some extent.

Ongoing real estate optimisation measures (e.g. conclusion/extension of long-term rental agreements, investments in rental spaces, etc.) prevent such short-term market shocks, primarily affecting market rents and vacancies. As mentioned, the individually risk-adjusted discount rate for the property meets the return expectations of the respective investors or market participants and can be influenced only to a limited extent by the owner.

Changes in the reporting period
There were no changes in the portfolio in the reporting period from 30 July 2025 to 31 December 2025.

Result
The fair value of the portfolio's eight properties comes to an estimated CHF 179,516,000 as at 31 December 2025.

The discount rates used in the valuations are based on real estate market observations, in particular the returns paid in open transactions. The average market value-weighted real net discount rate for all properties as at 31 December 2025 is 2.76%, with the range for the individual properties ranging from 2.45% to 2.90%. The current gross yield for all properties is 3.63%.

Independence and confidentiality
The certified valuation experts of Wüest Partner confirm their independence and guarantee the confidential treatment of information in connection with the valuation mandate.

Zurich, 5 January 2026

Wüest Partner AG

Andreas Ammann
Partner

Zafer Köroğlu
Director

Summary report by the collective investment schemes statutory auditor

Short form report by the statutory auditor of the collective investment scheme for the attention of the Board of Directors of the fund management company BLKB Fund Management AG, Binningen

Short form report on the audit of the financial statements

Opinion

We have audited the financial statements of the investment fund BLKB (CH) Sustainable Property Fund, which comprise the statement of net assets as at 31 December 2025, the income statement for the period from 30 July 2025 to 31 December 2025, information regarding the appropriation of income and the disclosure of costs as well as additional information pursuant to art. 89 para. 1 let. b–h and art. 90 of the Swiss Collective Investment Schemes Act (CISA).

In our opinion, the financial statements (pages 2, 24 to 37) are compliant with CISA, the relevant ordinances as well as the fund contract and the prospectus.

Basis for opinion

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

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

Other information

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

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

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

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

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

The Board of Directors of the fund management company is responsible for preparing the financial statements in accordance with the Swiss Collective Investment Schemes Act, the corresponding ordinances as well as the fund contract and the prospectus, and for such internal control as the Board of Directors of the fund management company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

PricewaterhouseCoopers AG

Andreas Scheibli
Licensed audit expert
Lead auditor

Andrin Brügger
Licensed audit expert

Zürich, 6 March 2026

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