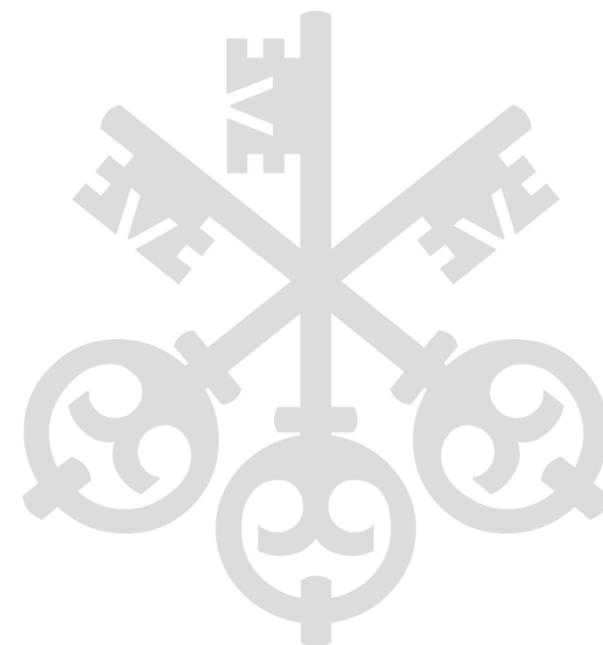


UBS Direct Residential

Capital increase planned for October / November 2024



Investment Pipeline as at August 2024

Building type	Location	Street	Project type	Total volume in m CHF	Entrance*/ Start of construction
Mixed	Zurich	Birmensdorferstrasse	Total renovation	8	4Q24
Residential	Zurich	Stettbacherrain	New replacement building	30	*2Q25
Residential	Zurich	Wehntalerstrasse	New replacement building	25	3Q25
Residential	Zurich	Schwandenholzstrasse	Total renovation	7	2Q26
Total				70	

Capital increase amounting to roughly CHF 70 million planned for October / November 2024

Detailed terms and conditions will be published end of September 2024

Source: UBS Asset Management, Real Estate & Private Markets (REPM), August 2024



Section 1

Swiss Real Estate Market

Summary: Swiss real estate market 1H24

Economy



- Economic challenges in the 1st half of 2024, recovery expected from 2Q24.
- Significant calming of inflation enables interest rate cuts. A further interest rate cut is currently expected.
- Residual risks for inflation and the economy remain in view of the tense geopolitical situation.

Swiss real estate market



- Following the correction in prime yields on the transaction market and a calming down of bond yields, the risk premium is approaching its long-term average again
- Housing market characterized by scarcity and strong rent growth
- Commercial user markets are impacted by the economic slowdown, but are in healthy shape, especially by international standards. Consolidations exacerbate polarization.

Strategic Recommendations



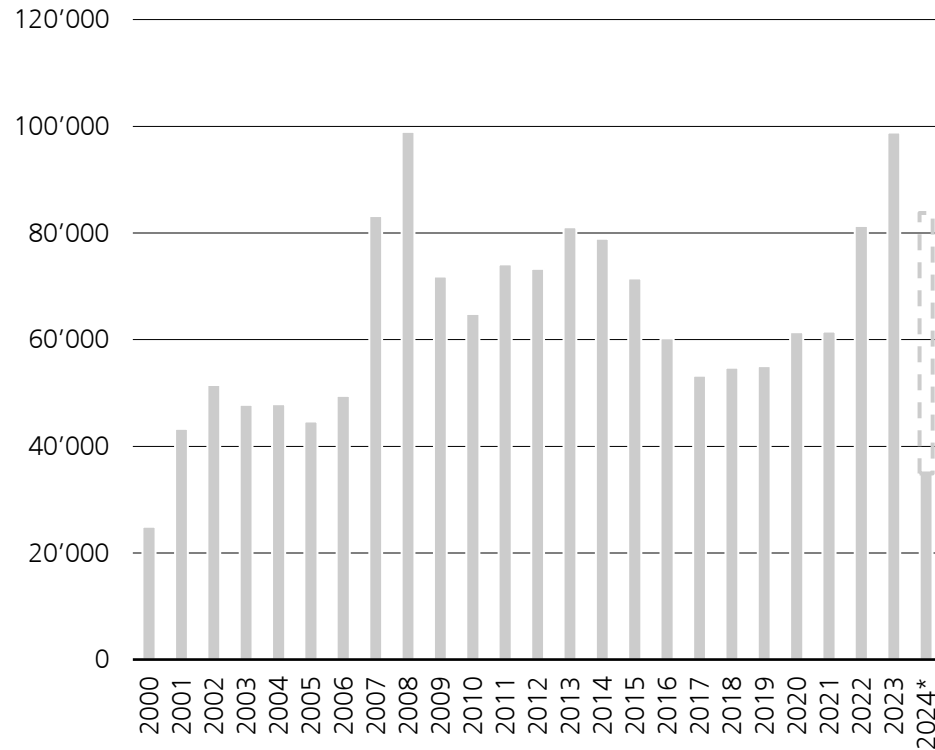
- Higher interest rate environment puts focus on income returns
- Residential stands out with positive rental growth prospects, but regulatory risk is also increasing.
- In the case of commercial properties, the quality of the location and the property is becoming even more important.
- Supertrends "Demography", "Digitization", "Decarbonization" and "Deglobalization" are leading to shifts in user markets and open investment opportunities

Source: UBS Asset Management, REPM; June 2024

Residential market: Increasing demand...

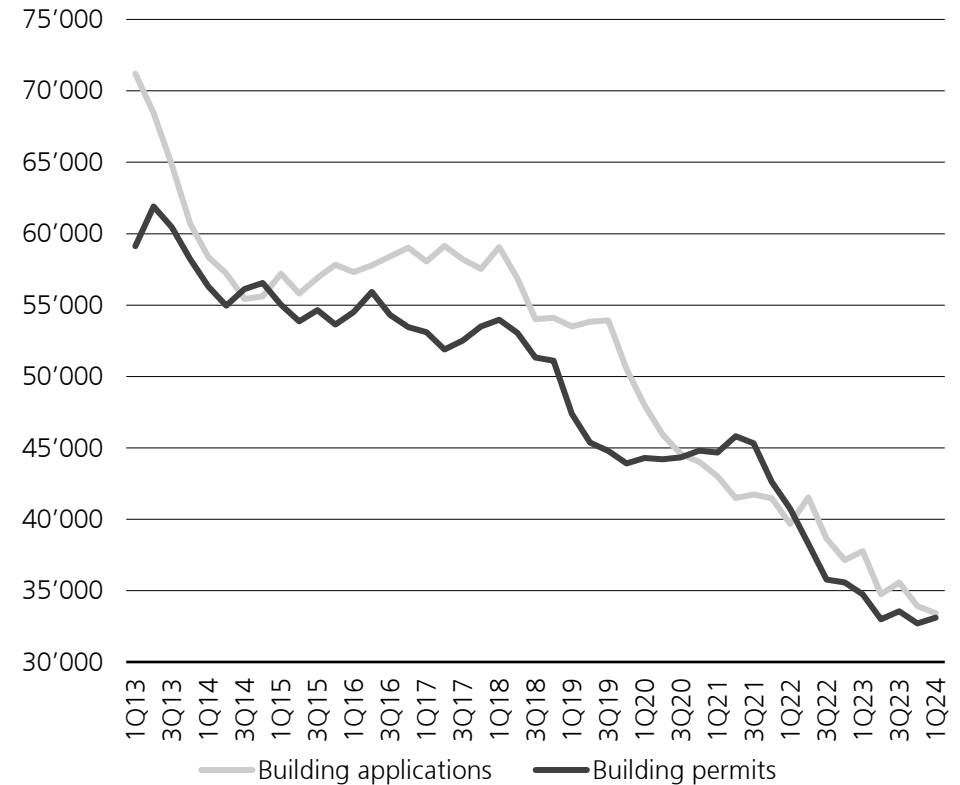
... with a declining expansion of supply...

Net migration in Switzerland (permanent population)



Source: State Secretariat for Migration SEM; Last data point: May 2024
 * 2024: Jan – May + extrapolation (dotted)

Planning activity in the Swiss housing market
 (12-month sum, number of dwelling units)

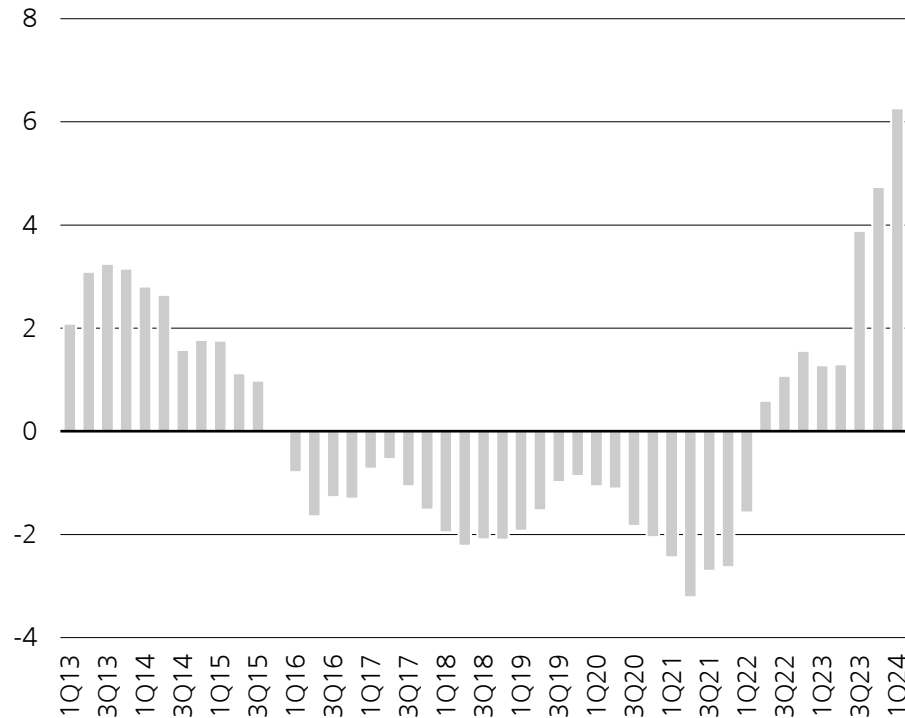


Source: Bauinfo; Last data point: 1Q24

... let rents increase

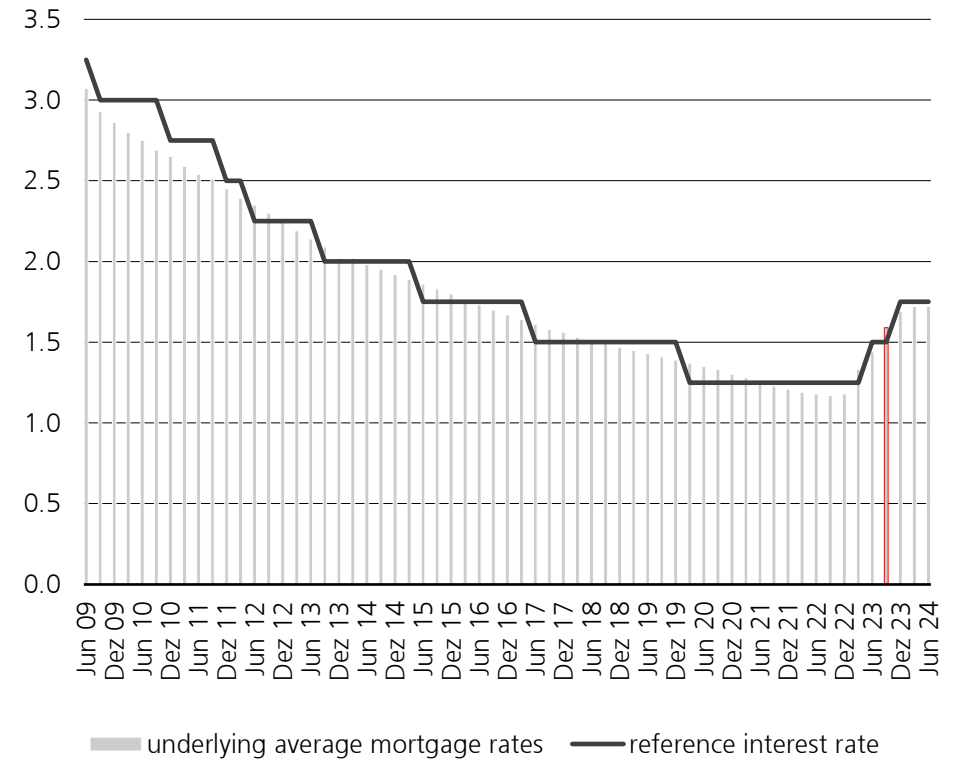
Reference interest rate stabilizes at 1.75%

Annual growth rates advertised rents
(%, y-o-y)



Source: Wüest Partner; Last data point: 1Q24

Development reference interest rate and underlying average mortgage rates (%)



Source: Federal Office of Housing; Last data point: March 2024

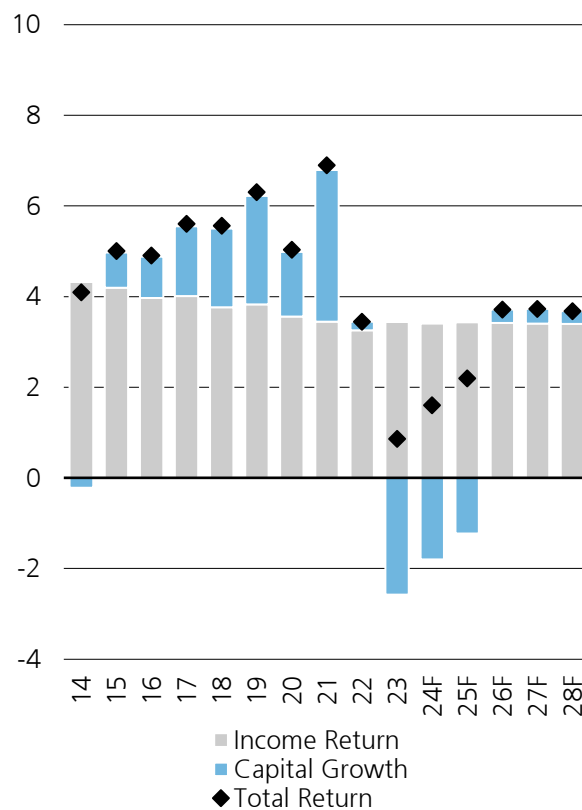
Income yield slips to the fore in new interest rate environment

Mild corrections for Swiss real estate investments

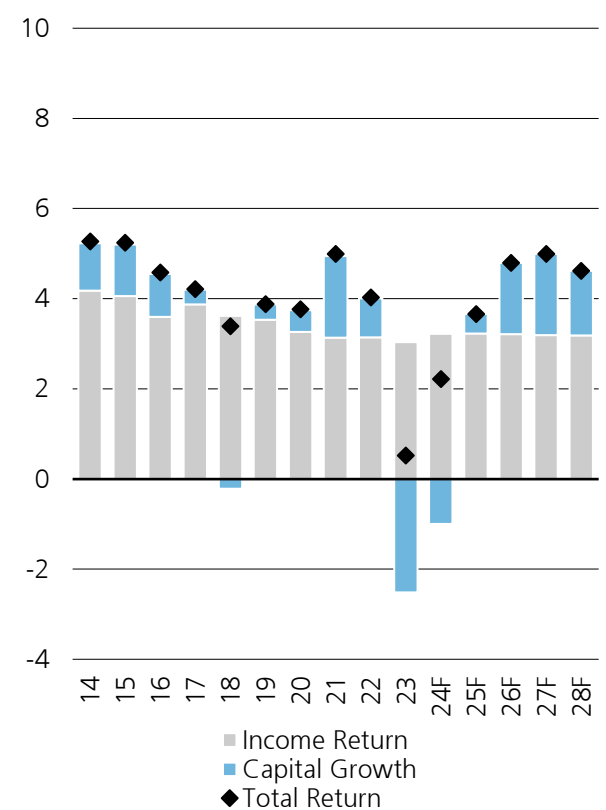
Multi-family



Offices



Retail



Source: MSCI; Wüest Partner; Oxford Economics; UBS Asset Management (REPM); April 2024
Last data point: 2023

Section 2

UBS Direct Residential

Why UBS Direct Residential?

Product

- Listed Swiss real estate fund with direct investments primarily in residential property
 - Fund returns are tax-exempt for Swiss investors
 - High liquidity through large investment volume and small denominations
 - Attractive return on NAV and distribution
-

Portfolio

- Geographic concentration on selected agglomeration regions across Switzerland
 - Stable returns from existing portfolio
 - Development potential through renovations and densification
 - Focus on sustainable growth by always taking economic, ecological and social aspects into account in acquisitions, new buildings and renovations
-

Management

- Your partner for responsible real estate management since more than 80 years
- Reliable, imaginative, passionate
- Fund and competence teams with many years of experience
- Responsible real estate management through appreciation and value creation

Key facts financial year as at 30 June 2023

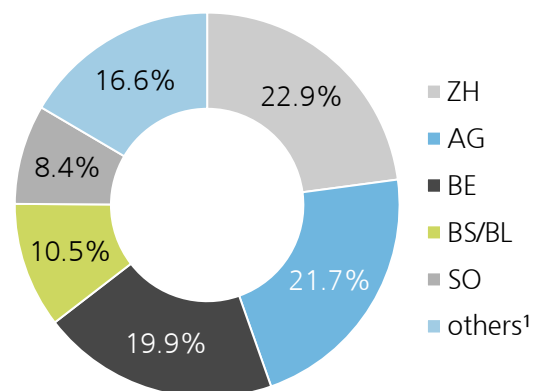
Attractive living spaces with an excellent price-performance ratio

- Listed Swiss real estate fund, launched in November 2006
- Real estate fund with direct investments primarily in residential property
- Regional focus on selected agglomerations across Switzerland
- Internal growth through value appreciation potential from renovations and redensification
- Focus on sustainability: binding targets set in the fund contract to advance toward net zero; economic, ecological and social aspects are always respected in acquisitions, new buildings and renovations

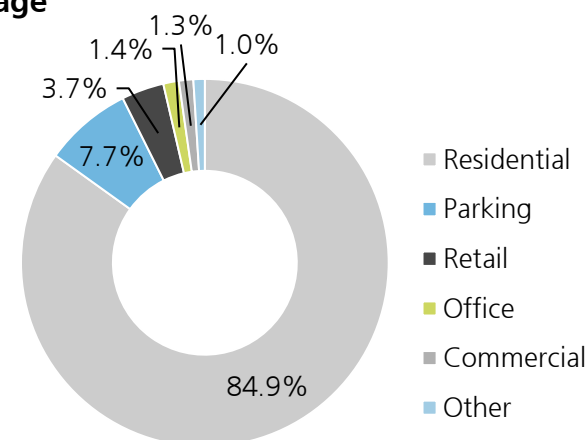
Key Figures

Net Asset Value	CHF 676.5 m
Market Value	CHF 955.7 m
Rental income	CHF 38.8 m
Rental loss rate	3.1%
Leverage	26.7%
Total return on NAV	3.7%
Performance	-0.4%
Number of properties	84

Regions



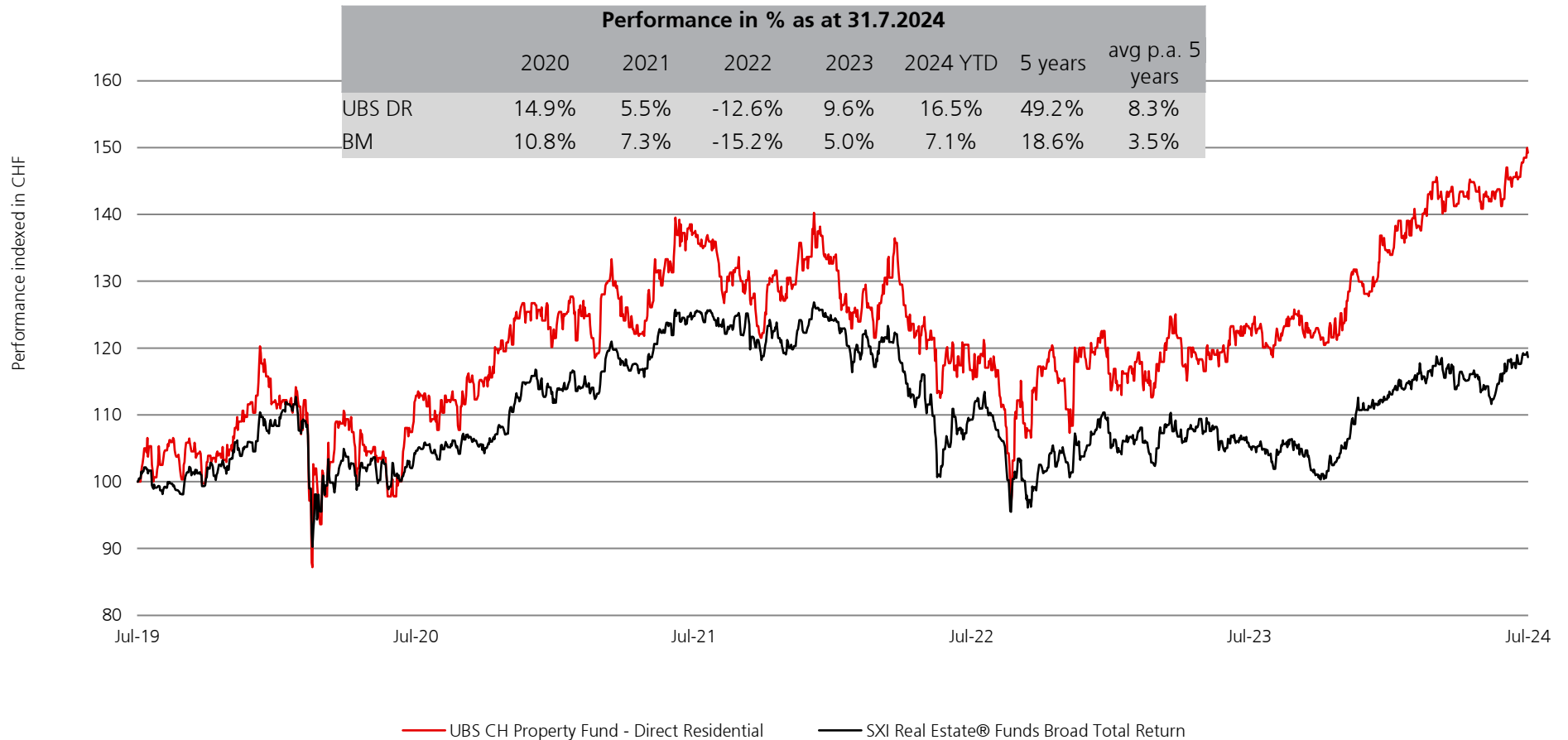
Usage



Source: UBS Asset Management, Real Estate & Private Markets (REPM); Data as of 30 June 2023; These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. Details on the implementation of the sustainable investment policy by integrating sustainability criteria can be found in the fund prospectus. Slide 20 "Risks" in the appendix shows a list of the known risks of the product.

¹ Other Regions: SG: 7.0%, VD: 3.0%, LU 2.1%, FR 1.6%, GE: 1.5%, TG: 1.4%

Benchmark comparison



Source: Datastream, UBS Asset Management as at end of July 2024

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Key figures for Swiss real estate funds (SXI Real Estate® Funds Broad)

Name	Launch	Price	52 week		Performance			Vola. 3 years ann.	NAV per unit (prov.)	Agio	Distribution yield (%)	TER _{REF} (MV)	Turnover in mn CHF ³	Total market capitalization in mn CHF	Investment focus	Property ownership ⁴	
			high	low	YTD	-1 y	-5 y p.a.										
		31.07.2024															
UBS SWISS SIMA	1950	141.5	145.00	120.00	8.3%	16.1%	5.1%	11.6%	102.3	38.3%	2.3%	0.96%	87.0	10'425.7	Mixed	Indirect	
CS REF SIAT	1956	227	230.00	190.00	7.1%	17.0%	5.1%	13.7%	162.1	40.0%	2.3%	0.80%	28.4	3'723.6	Residential	Indirect	
CS REF LIVINGPLUS	2007	147.5	152.00	126.00	5.3%	12.7%	2.6%	11.7%	110.6	33.3%	2.4%	0.73%	28.5	3'076.0	Residential	Direct	
UBS SWISS ANFOS	1956	88	90.00	74.20	7.8%	17.9%	5.4%	11.9%	64.6	36.1%	2.0%	0.89%	13.1	3'125.2	Residential	Indirect	
ROTHSCHILD RE SWISS	2010	149	153.00	125.50	11.9%	13.2%	5.6%	11.8%	121.1	23.0%	2.6%	0.81%	27.1	2'389.7	Residential	Direct	
CS REF GREEN PROPERTY	2009	121.5	130.50	107.00	2.9%	2.1%	-1.4%	14.2%	118.0	3.0%	2.6%	0.90%	29.9	2'385.2	Mixed	Direct	
LA FONCIERE	1954	138	141.50	120.50	7.5%	13.0%	5.1%	11.8%	105.1	31.3%	1.8%	0.72%	14.3	2'022.4	Residential	Indirect	
UBS FONCIPARS	1943	135.5	139.50	111.50	10.6%	21.3%	7.1%	12.7%	100.4	35.0%	2.0%	0.85%	16.7	1'931.0	Residential	Indirect	
SWISS LIFE REF SWISS PROPERTIES	2015	115.5	124.50	110.50	-3.7%	2.3%	0.0%	9.2%	113.2	2.0%	2.3%	0.99%	21.9	2'494.8	Residential	Direct	
IMMOFONDS	1969	536	580.00	485.00	3.1%	3.4%	6.2%	12.1%	409.6	30.9%	2.5%	0.74%	15.5	1'882.2	Residential	Indirect	
SWISSCANTO IFCA	1968	183.5	185.00	142.50	18.7%	24.6%	7.4%	14.3%	125.3	46.4%	2.1%	0.90%	19.3	1'932.8	Residential	Indirect	
SCHRODER IMMOPLUS	1997	159	163.50	133.50	5.3%	15.9%	1.7%	10.8%	144.8	9.8%	3.1%	1.04%	14.4	1'698.2	Commercial	Indirect	
REALSTONE	2008	125.5	131.00	113.50	4.2%	4.2%	0.6%	10.7%	121.3	3.4%	2.9%	1.17%	15.9	1'683.6	Residential	Indirect	
FIR	1953	223	229.00	191.50	5.2%	15.2%	4.1%	9.9%	166.0	34.4%	2.0%	0.68%	10.1	1'699.9	Residential	Indirect	
SOLVALOR 61	1953	297	303.00	264.00	5.1%	13.0%	5.2%	14.7%	203.2	27.4%	1.8%	0.76%	20.5	1'719.0	Residential	Mixte	
UBS SW SWISSREAL	1962	66.4	68.40	57.20	11.7%	13.6%	1.0%	8.4%	61.1	8.7%	4.0%	1.10%	23.7	1'636.1	Commercial	Indirect	
CS REF INTERSWISS	1954	177	180.00	147.00	8.6%	14.7%	0.5%	12.6%	187.3	-5.5%	4.2%	1.22%	12.7	1'570.1	Commercial	Indirect	
PROCIMMO	2007	159	160.50	128.50	9.7%	17.5%	2.1%	13.0%	147.1	8.1%	3.5%	1.15%	12.5	1'553.9	Commercial	Direct	
IMMO HELVETIC	1943	209	218.00	191.50	6.7%	6.7%	2.6%	12.3%	184.0	13.6%	3.2%	0.80%	10.7	1'254.0	Residential	Indirect	
ZIF IMMOBILIEN DIREKT SCHWEIZ	2018	116	118.00	102.00	3.6%	n.a.	n.a.	n.a.	106.0	9.4%	2.4%	0.95%	8.6	1'114.1	Residential	Direct	
BONHOTE IMMOBILIER	1960	149	156.00	122.00	9.4%	17.8%	4.2%	10.3%	123.6	20.6%	2.2%	1.06%	8.9	1'101.4	Residential	Direct	
SWISSINVEST REAL	2006	194.5	199.00	164.50	5.7%	11.0%	4.6%	13.3%	159.5	21.9%	2.3%	0.79%	6.9	1'028.1	Residential	Indirect	
SF SUSTAINABLE PROPERTY	2010	122.5	127.50	106.00	1.8%	10.7%	0.4%	16.5%	118.5	3.4%	2.6%	1.17%	11.7	1'031.0	Residential	Direct	
PATRIMONIUM	2007	165.5	176.00	138.00	2.3%	14.7%	4.1%	14.0%	146.7	12.8%	2.2%	0.90%	9.9	946.8	Residential	Direct	
UBS DIRECT RESIDENTIAL	2006	20.5	20.60	16.55	16.5%	21.4%	8.3%	12.1%	14.6	40.3%	2.0%	0.94%	13.7	952.5	Residential	Direct	
HELVETIA SWISS PF	2020	107	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	100.7	6.2%	2.6%	0.95%	n.a.	869.4	Residential	Direct	
BALOISE SWISS PROPERTY	2018	116	121.00	107.00	-1.3%	10.1%	0.0%	0.0%	105.0	10.4%	2.6%	0.90%	7.8	836.2	Residential	Direct	
CS REF LOGISTICSPLUS	2014	100.5	105.00	87.00	6.2%	12.1%	0.8%	14.6%	101.7	-1.2%	3.5%	0.74%	8.1	804.0	Logistics	Direct	
CRONOS IMMO FUND	2016	112.5	122.00	109.00	-3.9%	0.6%	n.a.	0.0%	106.2	5.9%	2.6%	0.83%	7.0	763.1	Residential	Direct	
SF RETAIL PROPERTIES	2015	114	116.00	95.80	11.2%	15.0%	3.0%	16.0%	99.6	14.5%	3.8%	1.10%	3.6	738.7	Commercial	Indirect	
CS REF HOSPITALITY	2010	79.2	79.80	60.80	14.9%	29.9%	2.2%	16.2%	76.3	3.9%	3.2%	0.59%	4.9	669.6	Commercial	Direct	
SWISSCANTO COMMERCIAL	2010	101.5	107.00	88.80	6.4%	10.2%	2.3%	16.5%	97.8	3.7%	4.1%	1.10%	2.9	528.1	Commercial	Direct	
UBS DIRECT URBAN	2012	14	14.40	12.00	9.4%	11.8%	6.4%	17.7%	11.7	19.3%	2.4%	1.08%	7.3	503.9	Mixed	Direct	
DOMINICÉ SWISS PROPERTY	2013	135	135.00	110.50	10.3%	17.1%	4.7%	9.9%	123.8	9.0%	2.3%	1.14%	6.0	499.5	Residential	Direct	
PROCIMMO RESIDENTIAL LEMANIC	2009	153	155.00	117.50	20.6%	29.0%	2.6%	12.1%	135.1	13.3%	2.0%	1.13%	3.1	399.4	Residential	Direct	
HELVETICA SWISS COMMERCIAL	2016	87	95.40	72.20	22.0%	-0.1%	0.0%	0.0%	112.6	-22.7%	7.1%	1.52%	2.6	373.9	Commercial	Indirect	
SUSTAINABLE RE SWITZERLAND	2015	89.4	108.00	86.80	-3.7%	n.a.	0.0%	0.0%	105.0	-14.9%	2.5%	0.97%	n.a.	304.2	Residential	Direct	
GOOD BUILDINGS	2011	139.5	140.00	127.50	8.8%	6.8%	0.0%	0.0%	116.3	20.0%	3.0%	0.98%	3.6	290.4	Residential	Direct	
SWISS CENTRAL CITY	2018	72	93.20	69.40	-2.6%	-20.6%	0.0%	0.0%	102.3	-29.6%	2.9%	1.28%	1.9	273.7	Residential	Direct	
SUISSE ROMANDE PROPERTY	2014	99	100.50	74.00	17.6%	14.9%	-0.1%	20.2%	104.1	-4.9%	3.0%	1.38%	1.1	265.7	Residential	Direct	
STREETBOX	2009	516	518.00	412.00	19.0%	25.4%	3.3%	13.8%	347.6	48.5%	3.0%	1.05%	1.7	221.7	Commercial	Direct	
SF COMMERCIAL PROPERTIES	2016	81.6	85.80	70.00	9.5%	7.1%	-0.1%	13.9%	86.3	-5.4%	5.2%	1.55%	1.1	195.8	Commercial	Indirect	
RESIDENTIA	2009	98.6	106.00	91.80	1.9%	1.9%	-3.9%	10.8%	109.4	-9.8%	3.4%	0.67%	2.0	157.8	Residential	Direct	
SXI REAL ESTATE FUNDS BROAD					7.1%	12.7%	3.5%	9.6%			22.6%	2.5%	0.91%	556.7	62'203.2		

Source: Credit Suisse Asset Management (Switzerland) Ltd, Datastream, annual/semi-annual reports of the funds. Data as of 31 July 2024. The management fee is included in the Total Expense Ratio (TER). The performance figures do not take into account the commissions and costs charged on issue and redemption. The financial instruments mentioned are for illustrative purposes only and constitute neither an offer nor a recommendation to buy or sell. The use of leverage by the fund can lead to an increased reaction to market movements, i.e. increase the volatility of the fund and lead to a greater loss than with products without leverage. If the currency of a financial product and/or its costs differ from your reference currency, the return and costs may rise or fall due to currency fluctuations. The peer group consists of all property funds included in the SXI Real Estate Funds Broad (SWIIT) Index (i.e. funds that are listed on the Swiss Stock Exchange and at least 75% of whose assets are invested in Switzerland). The peer comparison does not cover all characteristics of the selected products/funds. 1 Monthly trading turnover - average of the last 12 months 2 The taxation of property funds differs depending on whether a fund holds its properties directly or indirectly via subsidiaries.

Past performance is no guarantee of future developments.



Portfolio highlight

Financial year 2022/2023



Completion of new residential construction project Bussigny (VD), «Artemis»

- Fully leased residential property with 42 apartments
- Minergie-Eco certification and local recreational area in the immediate vicinity
- Investment volume of around CHF 28 million
- Rental income of CHF 0.94 million
- Gross initial yield of 3.4% on production cost
- First property in the canton of Vaud
- Occupancy as of 1 May 2023

Source: UBS Asset Management, Real Estate & Private Markets (REPM), data as at 30 June 2023

Sustainability Highlights

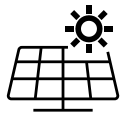
Financial year 2022/2023



More than **1/3** of properties with «DGNB im Betrieb» certifications



GRESB-Rating 2023:
Standing investment: 5 stars
Development: 5 stars



> **300 MWh** of solar power produced



> **15%** of the energy purchased from renewable energy sources

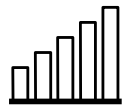
“ On our way to net zero, we aim to renovate an average of four heating systems per year. These concrete plans make our sustainability goals tangible and financially viable.

Christian Sturm

Fund Manager
UBS Direct Residential



Convincing facts about Real Estate Switzerland



More than **28 bn**
CHF **Assets under Management**



11
Real estate investment **products and external mandates**



1100+
Properties around Switzerland



~ 90
experienced employees
in Basel, Zurich and Lausanne



More than **80**
Years of **track record**



UBS «Sima»
largest Swiss real estate fund



Sustainable
and diversified strategy



solid
Governance- & risk-structure



Oldest
Swiss real estate fund
UBS «Foncipars»

Our real estate investment products at a glance

	Investment focus	2020	2021	2022	2023	2024 ¹
Listed Funds						
UBS Direct Residential	Residential / all of CH	776	814	933	966	966
UBS Direct Urban	All types of use / all of CH	492	577	590	584	584
UBS «Anfos»	Residential / German-speaking CH	2808	2925	3081	3183	3206
UBS «Foncipars»	Residential / French-speaking CH	1607	1703	1829	1953	1953
UBS «Sima»	All types of use / all of CH	10307	11 028	11 452	11 701	11 701
UBS «Swissreal»	Commercial / all of CH	2051	2074	2121	2159	2159
Residentia ²	Residential / Italian-speaking CH		247	250	243	243
UBS PF Europe ³	All types of use / Europe			271	276	276
Investment trusts⁴						
UBS AST-IS	All types of use / all of CH	2384	2491	2618	2700	2729
UBS AST-KIS	Commercial / all of CH	711	728	772	776	776
External mandates						
Mandate (external)	All types of use / all of CH	3141	3194	3475	3578	3578
Total Portfolio Real Estate Switzerland		24 277	25 781	27 392	28 119	28 171
Annual percentage change (%)		4,6	6,2	6,2	2,7	0,2

Source: UBS Asset Management, Real Estate & Private Markets (REPM); 2020-2024: Market values in mill. CHF;

1 UBS Direct Residential, UBS Direct Urban, UBS «Foncipars», UBS «Sima», UBS «Swissreal», Residentia, UBS PF Europe and external mandate as at 31.12.2023; UBS «Anfos» as at 31.03.2024; UBS AST-IS and UBS AST-KIS as at 31.07.2024

2 Residentia: Real Estate Switzerland has taken over the fund management of Residentia as of 1 February 2021; **3** Exchange rate: EUR 1 = 0.926 CHF (per 31.12.2023)

4 Only tax-exempt pension funds domiciled in Switzerland are permitted as direct investors pursuant to the articles of incorporation of the investment foundation.

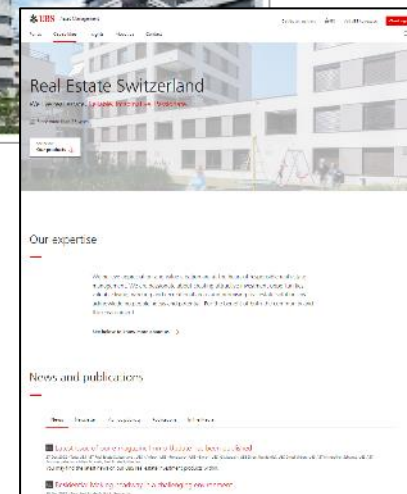
Follow our activities!



Immo-Flash and
Immo-Update
Subscribe to
our Newsletter



Property Finder
Discover our
properties online



www.ubs.com/realstate-switzerland

Contact information

UBS Fund Management (Switzerland) AG

Urs Fäs, CFA
Head Investment Products
Real Estate Switzerland
Aeschenvorstadt 1
4051 Basel

+41-61-288 36 19
urs.faes@ubs.com

Nicki M. Weber
Head Market Specialists EMEA
Real Estate & Private Markets
Europaallee 21
8004 Zurich

+41-44-234 59 75
nicki-marco.weber@ubs.com

UBS Fund Management (Switzerland) AG is a member of the UBS Group.

Glossary 1/2

Term	Definition
Agio (premium) / Disagio (discount)	The agio is the difference between the NAV (net asset value) and the market price of the fund units, as a percentage of the NAV. If the market price is above the NAV, there is a positive agio (premium). If the market price is below the NAV, this results in a negative disagio (discount).
Yield on investment	The investment return of a real estate fund corresponds to the change in the net asset value of the shares. If the gross amount of income and/or capital gains distributions is reinvested directly and without deductions in the fund at the net asset value of the shares. ¹
Payout ratio	Total amount of distributed income as a percentage of net income, adjusted for provisions for future repairs. ¹
Dividend yield	Last gross amount distributed per unit as a percentage of the stock exchange or market price. ¹
EBIT margin	Operating profit as a percentage of net rental income. Operating profit comprises all income (rent and other income) less all ordinary operating expenses (excluding taxes and interest).
Gross initial yield	The gross initial yield shows the ratio between the annual rental income and the net purchase price / market value of the property.
Cash flow	Cash flow is equal to total income plus depreciation and amortization of land and furniture, as well as net provisions for future repairs less unrealized capital gains.
Core investment strategy	A core investment strategy is the division of a portfolio into a broadly diversified core investment, which is intended to offer a basic return with sufficient security.
Discounted cash flow (DCF)	The DCF is a recognized assessment method in Switzerland. The earning potential of the properties to be valued is determined based on future income and expenses. The forecasts are based, among other things, on property settlements in recent years, the current letting situation and expected inflation. The net cash flows calculated in this way are discounted and the sum of the discounted net cashflows and the residual value results in the fair market value (corresponds to the value according to DCF).
Discount rate	The discount rate is used to discount a future payment or a future cash flow (e.g., rent payments) to today's value. This results in the present value (cf. discounted cash flow (DCF)).
Return on equity (ROE)	Total income in % of net fund assets at the beginning of the reporting period plus of the balance of shares to net present value. ¹
Total expense ratio TER_{REF}	The TER_{REF} ($TER_{Real\ Estate\ Funds}$) is based on the TER of securities funds and is an indicator of the burden of operating expenses on the fund. The burden is set in relation to both the total fund assets and the market value. ¹
Leverage ratio	Borrowed funds (mortgages and other interest-bearing liabilities) raised for financing as a percentage of the market value of the land (including building land and commenced construction) at the end of the reporting period.

Glossary 2/2

Term	Definition
Return on invested capital (ROIC)	The key figure provides information about the return on total fund assets. Adjusted total income, plus interest expense (mortgage interest and interest on mortgage-backed liabilities as well as other liability interest) as a percentage of average total fund assets. ¹
GRESB	The Global Real Estate Sustainability Benchmark (GRESB) evaluates and compares the sustainability performance of real estate portfolios according to ESG criteria.
KGAST	KGAST stands for <i>Konferenz der Geschäftsführer von Anlagestiftungen</i> (Conference of Managing Directors of Investment Foundations). It pursues the goal of offering investors of its member investment foundations the most appropriate transparency possible about the operating expenses of the investment groups, which is why the investment foundations are obliged to publish an "operating expense ratio TER KGAST".
Collective Investment Schemes Act	The purpose of the Collective Investment Schemes Act is to protect investors and to ensure the transparency and functioning of the market for collective investment schemes.
Rental default rate	The rent default rate provides information about the rental situation for finished buildings. The lower the value, the better the occupancy rate.
Net asset value (NAV)	The net asset value per unit is calculated by dividing the fair value of the assets less any liabilities by the number of shares outstanding.
Performance	The performance of a real estate fund corresponds to the total return achieved on a share within a certain period. It is expressed as a percentage of the stock exchange or market price of the shares at the beginning of the reporting period.
Redemption price	Corresponds to the price at which units must be redeemed by the fund management company in compliance with the statutory notice period (asset value minus a commission in accordance with the regulations).
Scope 1, 2 und 3	The terms Scope 1, 2 and 3 refer to a classification of greenhouse gas emissions according to "emission scopes". The classification into Scope 1, 2 and 3 emissions comes from the Greenhouse Gas Protocol (GHG Protocol). Scope 1: includes emissions caused by the property itself (e.g. heating oil, natural gas, wood pellets) Scope 2: includes the upstream emissions that are carried to the property (e.g. district heating, general electricity) Scope 3: may include various upstream and downstream emissions (e.g. tenant electricity)
Market value	The current value of a property, estimated by independent experts, which would likely be achieved at the time of sale, at the time of the valuation. The estimation is usually made once a year.
WAULT	The WAULT (weighted average unexpired lease term) provides information on the weighted average remaining term of the contractually fixed commercial leases at the end of the reporting period. It is an important indicator of the predictability and stability of rental income at the end of the reporting period.
Cession	A cession is an assignment of receivables. In this case, the obligation changes, as the claim is transferred to a new creditor.

Risks

- **General risks:**

- The material risks associated with this Real Estate Fund are the dependency on economic trends, changes in the Swiss real estate market, limited liquidity, interest rate changes, competition and pricing.
- The Real Estate Fund is also subject to sustainability risks (see Sustainability-related risks below). The occurrence of the aforementioned risks can have an actual or potential material negative impact on the value of the investments and therefore on the assets, financial and earnings position, and on the reputation of the Real Estate Fund.
- Such risks cannot be excluded completely.

- **Sustainability-related risks:**

- Switzerland currently has no standardized definition of sustainability (“sustainability taxonomy”). In connection with the sustainability criteria, there is a risk that these may not conform with a potential future sustainability taxonomy.
- Climate change and its impact harbors potential financial risks. Finance-related climate risks can be divided into two categories: physical risks and transition risks. Physical risks arise if, for example, damage to property increases due to climate-related natural catastrophes. Transition risks arise, for example, due to the intervention of climate policy measures. The impact of physical risks, for example, is hedged as much as possible through insurance against natural forces.
- The sustainability criteria (see Fund Prospectus Part I, 1.9.2. Investment policy) defined by the Fund Management Company allow transition risks to be reduced at the same time, by measuring the portfolio’s energy consumption and reporting it using defined ratios (cf. § 8 of the Fund Contract).
- As part of its investment process, the Fund Management Company also includes the relevant, sustainability-related risks in its investment decision and assesses them continuously.

- **Liquidity risk management / information on the liquidity management process:**

- In accordance with the applicable provisions of the Fund Contract, investors may terminate their units at the end of each accounting year, subject to a notice period of 12 months. Accordingly, the Fund Management Company identifies, monitors and reports on the liquidity risks of the Real Estate Fund assets with regard to the redemption of units or the net out-flow of assets. The instruments and models used allow the analysis of various scenarios and stress tests.

The above risks are not an exhaustive list

Disclaimer

For marketing and information purposes by UBS.

UBS funds under Swiss law.

Arrangements for marketing fund units mentioned in this document may be terminated at the initiative of the management company of the fund(s).

Only tax-exempt occupational pension schemes under pillar 2 and pillar 3a domiciled in Switzerland and patronal welfare funds (in accordance with BVG) are authorised investors in the UBS Foundation for the Investment of Pension Fund Assets investment groups. The investment groups of UBS Investment Foundation 2 (AST 2) and UBS Investment Foundation 3 (AST 3) are only open to occupational pension plans domiciled in Switzerland that are entered in the register of occupational pension plans in accordance with Art. 48 and Art. 61 of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans. In accordance with the memorandum of understanding concluded in 2004, the investment groups are only subject to withholding tax on dividends from US and possibly other foreign equities if they do not meet this precondition.

Before investing in a product please read the latest prospectus and key information document carefully and thoroughly. Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith, but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the document. Members of the UBS Group may have a position in and may make a purchase and / or sale of any of the securities or other financial instruments mentioned in this document. Units of UBS funds mentioned herein may not be eligible for sale in all jurisdictions or to certain categories of investors and may not be offered, sold or delivered in the United States. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The calculated performance takes all costs on the fund level into consideration (ongoing costs). The entry and exit costs, which would have a negative impact on the performance, are not taken into consideration. If whole or part of the total costs to be paid is different from your reference currency, the costs may increase or decrease as a result of currency and exchange rate fluctuations. Commissions and costs have a negative impact on the investment and on the expected returns. If the currency

of a financial product or financial service is different from your reference currency, the return can increase or decrease as a result of currency and exchange rate fluctuations. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future. The details and opinions contained in this document are provided by UBS without any guarantee or warranty and are for the recipient's personal use and information purposes only.

This document may not be reproduced, redistributed or republished for any purpose without the written permission of UBS Asset Management Switzerland AG or a local affiliated company. Source for all data and charts (if not indicated otherwise): UBS Asset Management

This document contains statements that constitute "forward-looking statements", including, but not limited to, statements relating to our future business development. While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

Prospectuses, key information document, the articles of association or the management regulations as well as annual and semi-annual reports of UBS funds are available in a language required by the local applicable law free of charge from UBS Asset Management Switzerland AG, c/o UBS AG, Bahnhofstrasse 45, 8001 Zürich or from UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel.

A summary of investor rights in English can be found online at: ubs.com/funds.

More explanations of financial terms can be found at ubs.com/glossary

© UBS 2024. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.