



Water Strategy - Income

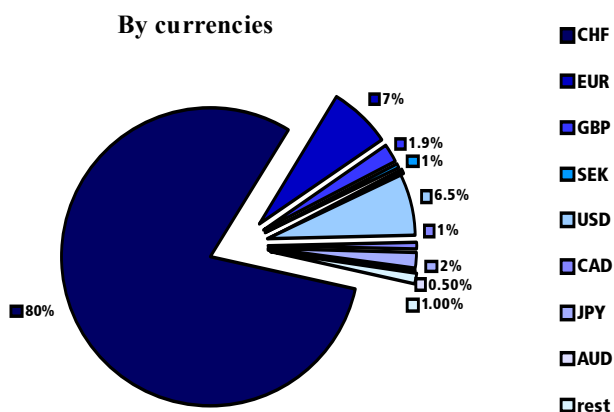
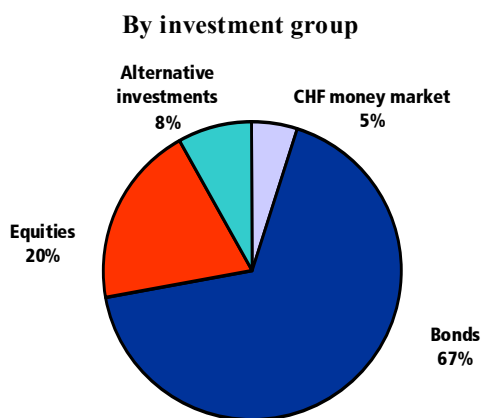
The portfolio is managed by us independently as a globally diversified portfolio. The investments are specifically in bonds, investment funds, instruments similar to funds and equities.

The portfolio is actively managed by our investment specialists and is based on the decisions of BEKB/BCBE's Investment Committee which are regularly reviewed to reflect current political and economic circumstances.

The objective of the Water Strategy is long-term capital preservation. Periodic interest payments, dividend income and modest capital gains generate the returns for this strategy. The mandate is ideally suited to investors who are only willing to accept a low level of volatility in portfolio value.

Investment structure of the portfolio

The charts show the portfolio's neutral investment structure which BEKB/BCBE may amend at any time and at its own discretion.

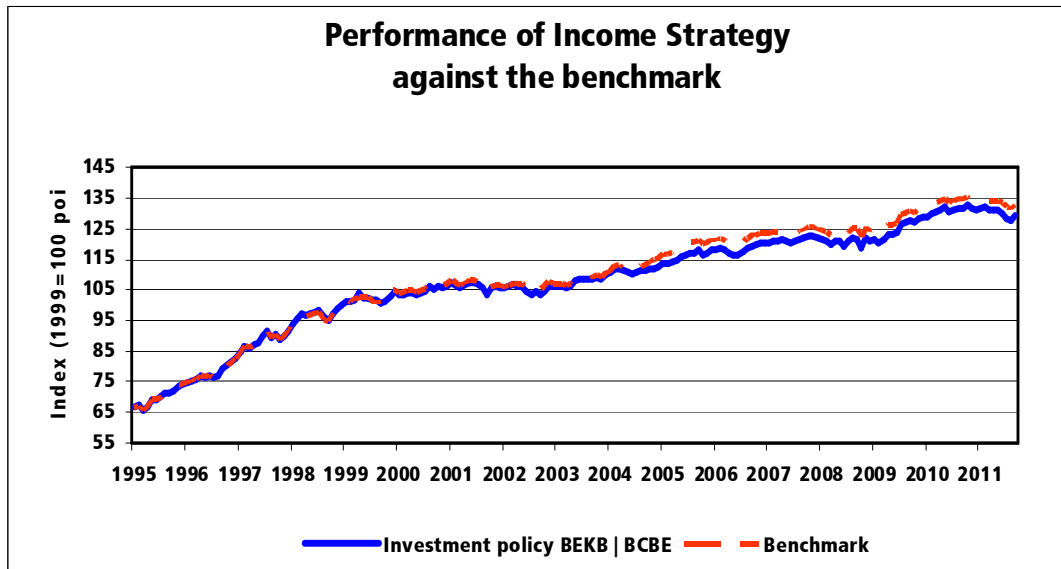


Income	
CHF money market	5.00%
CHF bonds	61.50%
Bonds Europe	3.50%
Bonds North America	1.00%
Bonds Pacific	1.00%
Bonds	67.00%
Equities Switzerland	5.75%
Equities Europe	5.75%
Equities North America	5.00%
Equities Pacific	2.00%
Equities Emerging Markets	1.50%
Equities	20.00%
Alternative investments	8.00%
	100.00%



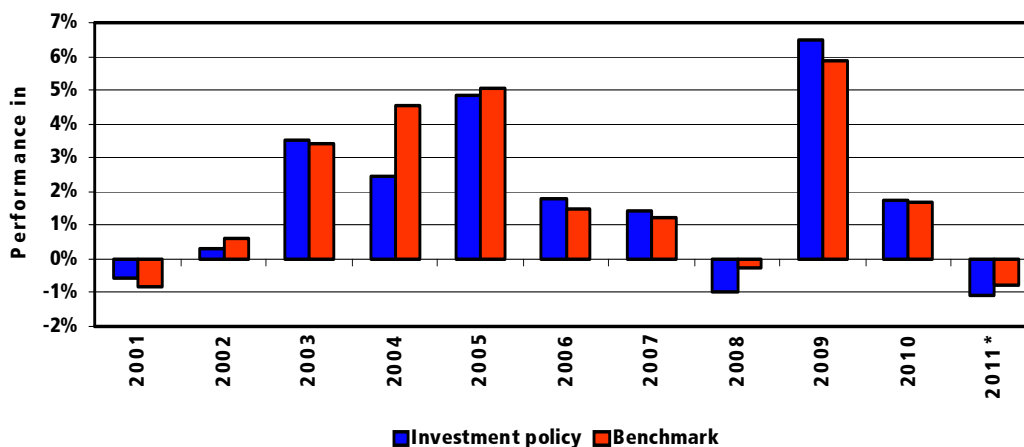
Performance

The following charts show the portfolio's theoretical performance based on the underlying benchmark or BEKB/BCBE's investment strategy.



	Last 5 years		Last 15 years	
	Investment policy	Benchmark	Investment policy	Benchmark
Cumulative performance	9.8%	9.0%	63.6%	68.1%
Annualized performance	1.9%	1.7%	3.3%	3.5%
Risk (standard deviation p.a.)	2.8%	2.5%	3.4%	3.4%
Sharpe ratio	0.2	0.2	0.6	0.7
Risk-free interest rate	1.2%		1.3%	

Annual return against benchmark since 2001



The risk-reward calculations are based on the theoretical performance of the benchmarks and BEKB/BCBE's investment policy that underlie the portfolios (before transaction costs and management fees). The performance figures give no indication of future performance. There was a change of strategy in 2003, 2007 and 2011.

*as of 30.09.2011