

MAP FUND MANAGEMENT

SUSTAINABLE GLOBAL BONDS (CHF)

As at end of May 2015

Investment profile

Assets class : global bonds
BM : 60% Citi World BIG, 40% SBI - currency: 95% CHF
Reference currency : CHF
Minimum credit rating : «Investment Grade» (BBB-)
Investment style : traditionnal, active, fundamental
Type of investment : sustainable, integrating ESG criteria
Securities / Number of positions : Single bonds / 89
Approach : top down and bottom up
Duration : min. 2 Y – max. 8 Y
Foreign currency : min. 0% - max. 20%
NAV 31.05.2015 : 99.31
ISIN / Telekurs : class S : LU1121107046 / 25648371
 class I : LU1121107129 / 25648374
Subscription / Redemption : T+3 / T+5
Minimum investment : CHF 10'000 (S) / CHF 100'000 (I)
Dividend distribution : capitalisation
Classes : S, Z, I
Management fees / TER (p.a.) : S: 0.8% / 1.0%; I: 0.4% / 0.6%
Domicile : Luxembourg
Registration : Switzerland, Luxembourg, France
Representative / Correspondent : Carnegie Fund Services / BNP Paribas
Legal form : SICAV - UCITS - open fund
Manager and promoter : 1875 FINANCE, Switzerland - FINMA regulated
Custodian bank : Pictet & Cie (Europe)
Administrator and transfer agent : FundPartner Solutions
Auditor : Ernst & Young Luxembourg
Date of inception : December 2014 the 15th

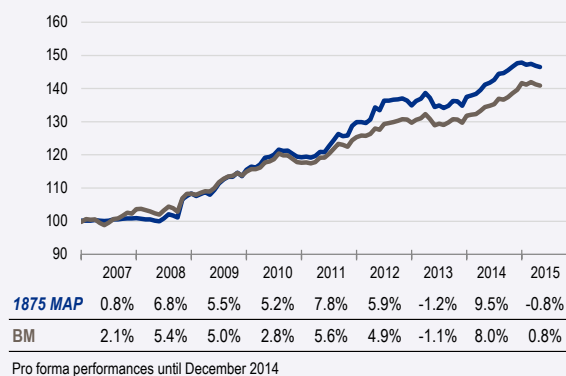
Benchmark and tactical asset allocation

Markets	BM	Margins		1875 MAP	
		Min.	Max.	Jun.15	May.15
Short term	0%	0%	70%	0%	0%
CHF	40%	10%	60%	46%	44%
Duration CHF	6	2	8	7	7
USD	26%	15%	50%	27%	29%
Duration USD	5	2	8	6	6
EUR	20%	5%	40%	17%	18%
Duration EUR	6	2	8	4	5
GBP	3%	0%	10%	3%	3%
Duration GBP	9	2	10	9	9
JPY	9%	0%	20%	4%	3%
Duration JPY	9	2	10	4	3
Miscellaneous	2%	0%	20%	3%	3%
Duration Miscell.	6	2	8	6	6

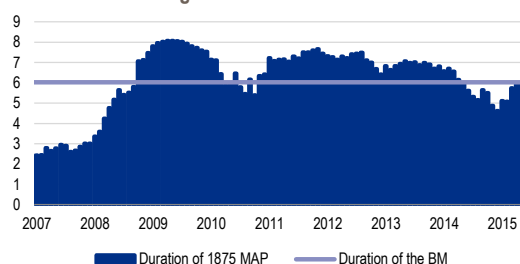
Currency ¹	BM	Margins		1875 MAP	
		Min.	Max.	Jun.15	May.15
CHF	95%	80%	100%	97%	97%
Foreign	5%	0%	20%	3%	3%

¹ after hedge

Performances



Evolution of the average duration of the tactical allocation



Statistics

	1875 MAP	BM
Annual return (2006-2014)*	4.99%	4.05%
Return 2015 (MAP Fund)	-0.78%	0.85%
Return May 2015 (MAP Fund)	-0.22%	-0.28%
Maximum monthly drawdown*	-1.95%	-1.46%
Volatility*	3.17%	2.71%
Tracking-error*	1.25%	-
Sharpe ratio * ¹	1.34	1.29
Sortino ratio * ¹	3.30	2.69
ESG rating (MAP Fund)	-	-

¹ average risk-free rate (%) : 0.67

* statistiques pro forma

Investment strategy

To focus on obtaining regular income while giving special attention to the preservation of capital in periods of rising yields and appreciation of the Swiss franc

Investment philosophy and process

To provide a sustainable asset management generating a performance superior to the domestic bond market (Swiss bond market) through increased international diversification, without increasing the risks thanks to a dynamic risk management of interest rates, of categories issuer and of currencies. This dynamic risk management is provided by a multifactorial model (1875 MAP).

Investment policy

During the month of May, financial markets have evolved homogeneously in an environment marked by a new general rise of USD and the intensification of negotiations between the Eurozone and Greece.

Bond markets fell slightly again (-0.7%). Bonds in DKK (-2.3%), SEK (-1.2%) and EUR (-1.3%) posted the largest monthly declines. Investments in AUD (-0.8%) and JPY (-0.6%) depreciated slightly less. Markets in USD (-0.4%), in GBP (-0.3%) and in CAD (-0.2%) consolidated. Investments in CHF (+ 0.3%) and NOK (+ 0.2%) were alone in posting positive performances.

The fund has depreciated by 0.22% against -0.28% for its benchmark thanks to overweight of CHF bonds, the underweight of bonds in EUR and the overexposure on CHF .

In consideration of their excessive valuation, exposures in bonds are reduced to be selectively underweight while maintaining an overall duration consistent to the benchmark. Regarding monetary allocation, bonds in CHF and in AUD and to a lesser extend in USD are overweight or invested in long-term maturities taking into account the important economic uncertainties or deflationary pressures that their economy has to face. Loans denominated in EUR, in JPY and in GBP are now underweight in conjunction with the expected recovery of nominal growth in the euro zone, Japan and United Kingdom.

In terms of credit categories, the exposure on bonds issued by US corporates is significantly underweight following the further deterioration of the financial situation of private sector in the United States. Thanks to an improving profit outlook and their limited debt ratio, European issuers are still favored over their state peers.

On currency markets, the overexposure of CHF vis-à-vis EUR is reduced moderately due to the reinforcing of the overvaluation of CHF and to lower interest rate spreads.

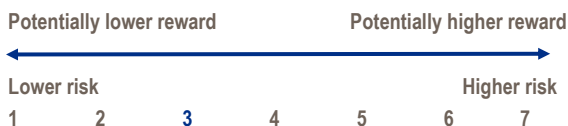
Investment objectives

Financial : to outperform the benchmark on an investment time horizon of two years to provide excess return and yield complementary to the Swiss Bond Index (SBI).

Economic : to optimally allocate capital by integrating ESG criteria for the selection of issuers.

Risk profile

Low risk, near SBI, ensured by a constant and asymmetric distribution of returns generated by a reduced exposure to risk of interest during rising cost of capital periods and a concentration on the CHF during declining foreign currencies periods.

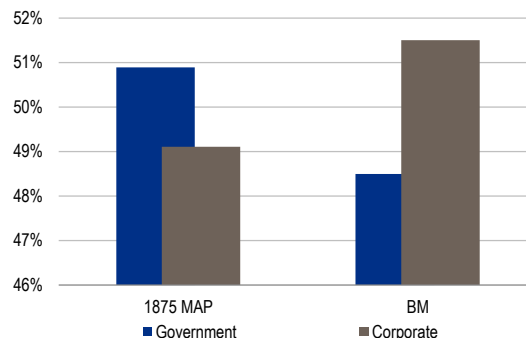


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Sources of return (in order of importance)



Glossary

1875 MAP	Market Allocation Process: tactical allocation defined by the 1875 FINANCE process
APT	Portfolio optimization and risk measurement software developed by Sungard
SAA	Strategic Asset Allocation
Citigroup WorldBIG	Citigroup World Broad Investment Grade Bond index
PRI	Principles for Responsible Investments
SBI	Swiss Bond Index

About 1875 FINANCE

1875 FINANCE is positioned as both an innovative company and a guardian of the Geneva financial tradition, building its difference on three business lines, institutional asset management, private banking and multi family office. As a PRI signatory, 1875 FINANCE provides an effective sustainable asset management integrating the environmental (E), social (S) and governance (G) criteria for all asset classes. Using a unique proprietary model, 1875 MAP, dedicated to the dynamic tactical allocation management, and relying for the selection of titles on the analysis of partners who are pioneers and key players in sustainable investing, 1875 FINANCE offers to pension funds both balanced management and overlay services, but also global equity and global bond mandates.

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