

MAP FUND MANAGEMENT

SUSTAINABLE GLOBAL BONDS (CHF) - I

As at end of February 2016

Investment profile

Assets class : global bonds
BM : 60% Citi WorldBIG TR, 40% SBI TR - currency: 95% CHF
Reference currency : CHF
Minimum credit rating : «Investment Grade» (BBB-)
Investment style : long only, active, fundamental
Type of investment : sustainable, integrating ESG criteria
Number of holdings : 67 securities
Approach : top down and bottom up
Duration : min. 2 Y – max. 8 Y
Foreign currency : min. 0% - max. 20%
NAV 02.29.2016 : CHF 100.82
ISIN / Telekurs : class S : LU1121107046 / 25648371
class I : LU1121107129 / 25648374
Subscription / Redemption : D+3 / D+5
Minimum investment : CHF 10'000 (S) / CHF 100'000 (I)
Dividend distribution : capitalization
Classes : S, Z, I
Management fees / TER (p.a.) : S: 0.9% / 1.1%; I: 0.5% / 0.7%
Domicile : Luxembourg
Registration : Switzerland, Luxembourg, France
Representative / Correspondent : Carnegie Fund Services / BNP Paribas
Legal form : SICAV - UCITS - open fund
Initiator and manager : 1875 FINANCE, Switzerland - FINMA regulated
Custodian bank : Pictet & Cie (Europe) S.A.
Administrator and transfer agent : FundPartner Solutions (Europe) S.A.
Auditor : Ernst & Young, Luxembourg
Date of inception : December 15, 2014

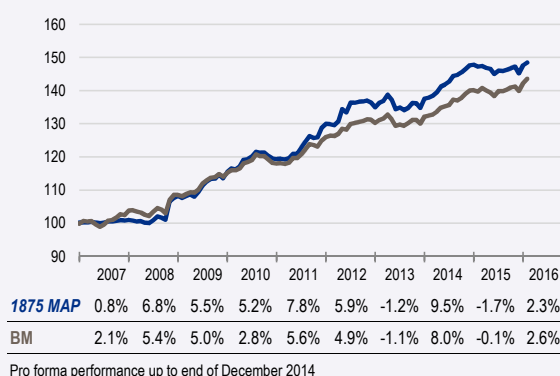
Benchmark and tactical asset allocation

Markets	BM	Margins		1875 MAP	
		Min.	Max.	Mar.16	Feb.16
Short term	0%	0%	70%	0%	0%
CHF	40%	10%	60%	40%	42%
Duration CHF	6	2	8	7	7
USD	26%	15%	50%	29%	31%
Duration USD	5	2	8	6	6
EUR	20%	5%	40%	16%	15%
Duration EUR	6	2	8	6	5
GBP	3%	0%	10%	3%	3%
Duration GBP	9	2	10	9	10
JPY	9%	0%	20%	6%	4%
Duration JPY	9	2	10	7	4
Miscellaneous	2%	0%	20%	6%	4%
Duration Miscell.	6	2	8	6	6

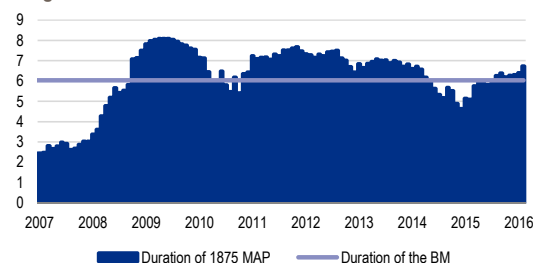
Currency ¹	BM	Margins		1875 MAP	
		Min.	Max.	Mar.16	Feb.16
CHF	95%	80%	100%	94%	97%
Foreign	5%	0%	20%	6%	3%

¹ after hedge

Performance



Average duration



Statistics

	1875 MAP	BM
Pro forma annual performance 2007-2014 *	4.99%	4.05%
Annual performance since inception	0.74%	2.64%
Performance, YTD	2.25%	2.62%
Performance, MTD	0.61%	0.97%
Maximum monthly drawdown*	-1.67%	-1.49%
Volatility*	2.87%	2.77%
Tracking-error*	1.03%	-
Sharpe ratio* ¹	1.43	1.31
Sortino ratio* ¹	3.41	2.69

¹ average risk-free rate (%) : 0.53

* pro forma statistics

Investment strategy

Generate regular income while giving special attention to capital preservation in periods of rising yields and appreciation of the Swiss franc.

Investment philosophy and process

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

Investment policy

In February, government bond markets continued their upward trend as a result of the slowdown in the global economy and the volatility of the financial environment. In terms of evolving differences in currency zones, performance differentials were moderate and evolved in line with expectations concerning monetary policy. Securities in JPY (1.97%), AUD (1.42%) and EUR, those issued by the German government in particular (1.29) achieved the sharpest gain. We observe the more moderate rise in US (0.77%), UK (0.72%) and Swiss Federal (0.50%) treasury bonds. Private and emerging issuers have continued to be affected by the increase in default risk. The main evolutions in the Forex markets were the overall drop of the USD, the continued depreciation of the GBP (-2.62%) and the reinforcement of the CHF (+2.17%) vs. the EUR.

The fund appreciated by 0.61% vs. a 0.97% benchmark performance, due to the underweight of bonds in EUR and in JPY.

Bonds have been selectively increased in March. The maturities have been extended to reach an average portfolio duration slightly higher than determined by the strategic allocation. The decline in nominal growth and the continued high systemic risk will keep on supporting the bond markets despite their very expensive valuation levels. USD-, AUD-, CHF- and NOK-denominated assets are kept overweight. Investments in EUR (now nearly neutral) and in JPY (less heavily underweight) has been increased. Exposure to GBP bonds has been decreased to slightly underweight. US private issuers are kept underexposed, while in Europe corporate bonds may be kept selectively overweight compared to their government counterparts. The Forex market will continue to be influenced over the coming months by the divergence in monetary policies and by the unwinding of carry trades. The underweight of EUR vs. CHF is slightly reduced.

Investment objectives

Financial : outperform the benchmark over 2 years to provide excess return and yield complementary to the Swiss Bond Index (SBI).

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

Risk profile

Steady and asymmetrical distribution of returns through reduced market exposures during high-risk periods.

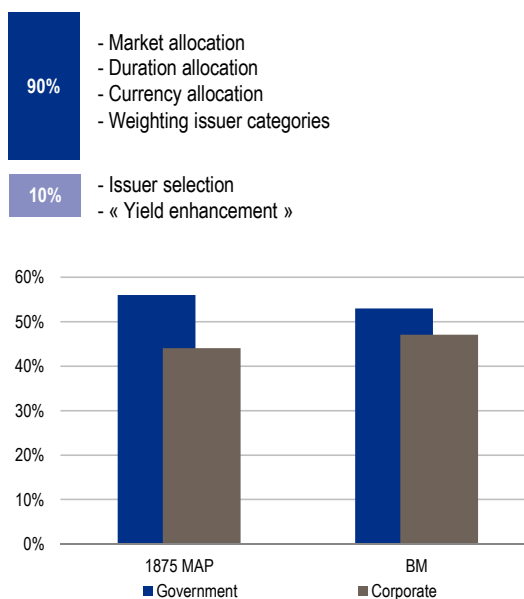


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Sources of return (in order of importance)



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 effective sustainable asset management integrating Environmental, Social and Governance (ESG) criteria for all asset classes. Using a unique proprietary model, 1875 MAP, dedicated to dynamic tactical allocation management, and relying for the selection of securities 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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