

MAP FUND MANAGEMENT

SUSTAINABLE GLOBAL BONDS (CHF) - I

As at end of April 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 : 65 securities

Approach : top down and bottom up

Duration : min. 2 Y – max. 8 Y

Foreign currency : min. 0% - max. 20%

NAV 04.30.2016 : CHF 100.19

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

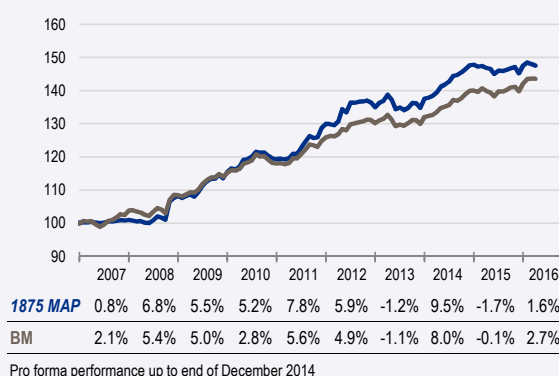
Benchmark and tactical asset allocation

Markets	BM	Margins		1875 MAP	
		Min.	Max.	May.16	Apr.16
Short term	0%	0%	70%	0%	1%
CHF	40%	10%	60%	40%	40%
Duration CHF	6	2	8	7	7
USD	26%	15%	50%	27%	28%
Duration USD	5	2	8	5	5
EUR	20%	5%	40%	18%	17%
Duration EUR	6	2	8	7	6
GBP	3%	0%	10%	2%	3%
Duration GBP	9	2	10	8	8
JPY	9%	0%	20%	5%	5%
Duration JPY	9	2	10	5	6
Miscellaneous	2%	0%	20%	6%	6%
Duration Miscell.	6	2	8	5	5

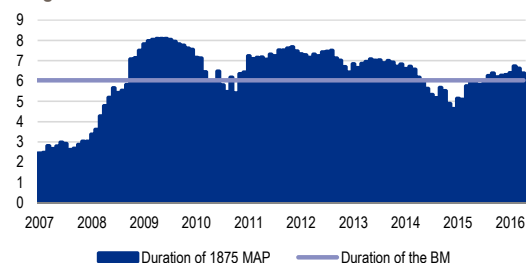
Currency ¹	BM	Margins		1875 MAP	
		Min.	Max.	May.16	Apr.16
CHF	95%	80%	100%	93%	94%
Foreign	5%	0%	20%	7%	6%

¹ after hedge

Performance



Average duration



Statistics

	1875 MAP	BM
Pro forma annual performance 2007-2014 *	4.99%	4.05%
Annual performance since inception	0.20%	2.38%
Performance, YTD	1.61%	2.72%
Performance, MTD	-0.33%	0.00%
Maximum monthly drawdown*	-2.01%	-1.48%
Volatility*	3.28%	2.70%
Tracking-error*	1.41%	-
Sharpe ratio* ¹	1.42	1.31
Sortino ratio* ¹	3.37	2.67

¹ average risk-free rate (%) : 0.51

* 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 April, government bonds of developed economies (-0.2%) evolved heterogeneously as risk aversion decreased and commodities prices rose. Thanks to improving financial conditions, emerging markets recovered by more than 2.5%. Assets in JPY (1.53%) benefited from the rise of the Yen while the Euro-denominated bonds had the worst performance (-0.71%). Securities in USD (0.14%) were flat. Papers issued by oil-exporting countries as Norway (-1.17%), Canada (-0.71%) and UK (-0.71%) were penalized by strong profit taking, while investments in AUD were slightly up (0.18%). Regarding credit, risk premiums on high yield bonds stepped back except for bank debt. Regarding foreign exchange, the USD kept depreciating vs. currencies sensitive to oil prices (-3.24% vs. CAD, -3.14% vs. BRL, -3.71% vs. RUB), and by the recovery of GBP (1.14%) and weakness of CHF (-0.64%) vs. EUR.

The fund depreciated by -0.33% vs. 0% for its benchmark, notably due to the underweight in USD- and JPY-denominated bonds.

Despite the valuation made excessive by central banks intervention, bonds keep enjoying a globally and selectively positive environment. The global exposure and the average duration of the portfolio remain close to the strategic allocation. Bonds in AUD, NOK and to a lesser extent CAD remain overweight. The position on EUR and CHF papers is neutral. Securities in USD, GBP and JPY remain underweight. US government bonds remain overweight vs. the US corporate papers, and European corporates instruments are now slightly overweight. The foreign exchange market will remain driven by divergence in monetary policies and unwinding carry trades. EUR remains slightly underweight vs. USD as it keeps being penalized by the monetary conditions differential. The overweight in CHF vs. EUR is maintained, as the ECB's policy is now very expansive.

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.

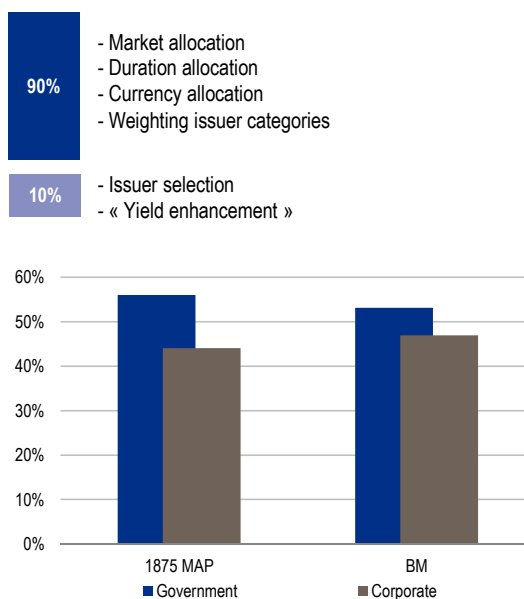


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Sources of return (in order of importance)



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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