MAP FUND MANAGEMENT
SUSTAINABLE GLOBAL BONDS (CHF) - I

As at end of November 2016

Investment profile

Asset 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 : 78 securities
Approach : top down and bottom up
Duration : min. 2 Y – max. 8 Y
Foreign currency : min. 0% - max. 20%
NAV 11.30.2016 : CHF 99.04
ISIN / Telekurs : LU1121107129 / 25648374
Subscription / Redemption : D+3 / D+5
Minimum investment : CHF 100'000
Dividend distribution : re-invested
Share classes : S, Z, I
Management fees / TER (p.a.) : 0.5% ; 0.7%
Domicile : Luxembourg
Registration : Switzerland, Luxembourg, France
Representative / Correspondent : Carnegie Fund Services / BNP Paribas
Legal form : SICAV - UCITS - open fund
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
Inception date : December 11, 2014

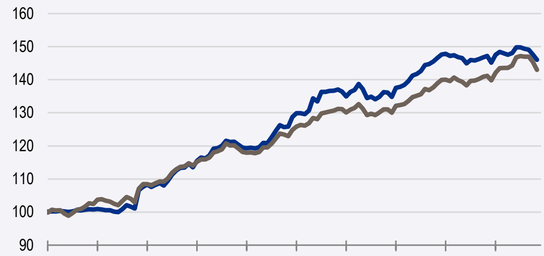
Benchmark and tactical asset allocation

Markets	BM	Margins		1875 MAP	
		Min.	Max.	Dec.16	Nov.16
Short term	0.0%	0.0%	70.0%	20.1%	19.5%
CHF	40.0%	10.0%	60.0%	30.7%	29.7%
Duration CHF	7.0	2.0	8.0	6.7	6.8
USD	29.0%	15.0%	50.0%	24.0%	24.2%
Duration USD	6.0	2.0	8.0	4.6	4.8
EUR	18.0%	5.0%	40.0%	11.7%	11.3%
Duration EUR	7.0	2.0	8.0	5.7	5.4
GBP	2.9%	0.0%	10.0%	1.4%	1.3%
Duration GBP	10.0	2.0	10.0	10.0	10.1
JPY	8.0%	0.0%	20.0%	4.9%	5.1%
Duration JPY	10.0	2.0	10.0	6.5	6.5
Miscellaneaous	2.0%	0.0%	5.0%	7.3%	8.9%
Duration Miscell.	5.9	2.0	8.0	6.0	6.0

Currency[1]	BM	Margins		1875 MAP	
		Min.	Max.	Dec.16	Nov.16
CHF	95.0%	80.0%	100.0%	93.7%	93.4%
Foreign	5.0%	0.0%	20.0%	6.3%	6.6%

[1] after hedge

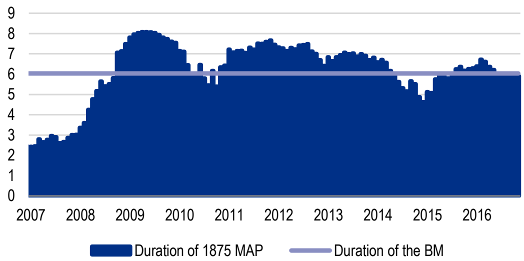
Performance



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1875 MAP	0.8%	6.8%	5.5%	5.2%	7.8%	5.9%	-1.2%	9.5%	-1.7%	0.5%
BM	2.1%	5.4%	5.0%	2.8%	5.6%	4.9%	-1.1%	8.0%	-0.1%	0.6%

Pro forma performance prior to December 2014

Average duration



Statistics

	1875 MAP	BM
Pro forma annual performance 2007-2014 *	4.99%	4.05%
Annual performance since inception	**-0.44%**	**-0.12%**
YTD Performance	**0.45%**	**0.56%**
MTD Performance	**-1.05%**	**-1.67%**
Maximum monthly drawdown*	-2.01%	-1.67%
Volatility*	3.26%	2.77%
Tracking-error*	1.39%	-
Sharpe ratio* [1]	1.36	1.21
Sortino ratio* [1]	3.32	2.58

[1] average risk-free rate (%) : 0.44   * pro forma performance

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).

1875 FINANCE

Investment policy

In November, government bond markets (-1.8%) continued to fall as a result of the strengthening of the global economy. Affected by the scarcity of international liquidity, emerging loans (-7.4%) corrected more significantly, underperforming their developed counterparts. Within the developed economies, USD bonds lost the most (-2.6%). Despite the widening of yield spreads between peripheral debts and the German Bund, euro-denominated assets were more resilient, losing just under 1.5%. We note the excess performance of JPY, CHF declined by only 0.8% and AUD investments by 0.7%. In terms of credit, we note the additional decrease in premiums on USD-denominated credit and its increase within the Eurozone. During the period under review, the foreign exchange markets were characterized by a rising USD. The greenback appreciated significantly vis-à-vis emerging currencies (USD/BRL 6.6%) and the yen (8.7%). Gains were more moderate relative to European currencies, particularly the Euro (3.5%). In Europe, the British pound bounced back thanks to the possible implementation of a more expansive fiscal policy, and the Swiss franc remained firm under the effect of the uncertainties related to the evolution of the European banking system, especially in Italy.

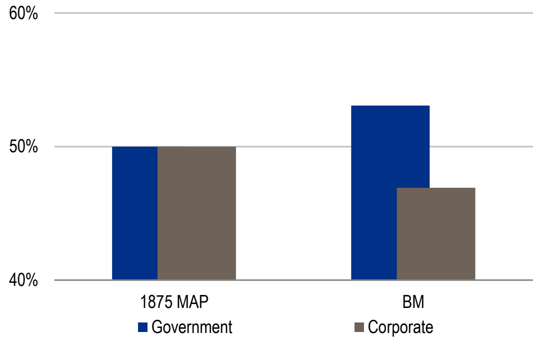
The fund depreciated by 1.05% vs. 1.67% for its benchmark. This overperformance is mainly due to the lower maturities on foreign bonds.

After a significant depreciation, bond markets are now oversold. During their rebound phases, however, bonds will need to be more significantly underweighted and their duration more sharply reduced. In terms of currency allocation, AUD, NOK and to a lesser extent CAD loans are preferred. GBP, EUR and USD loans are the most heavily underexposed. Investments in CHF and JPY are moderately underweighted. TIPS in USD are becoming more attractive and will progressively show themselves to be more resilient than fixed-income commitments. For EUR and GBP investments, floating-rate securities remain very expensive and must be significantly underweighted. In terms of debtor categories, we continue to overweight corporate bonds, taking into account the improvement in earnings outlooks, with a moderate underweighting of US private bonds and an overweighting of their European counterparts, who have been favored by a recovery in the financial health of companies. Due to the continuing divergence in monetary policies and to the scarcity of international liquidity, the USD will remain overvalued in the short term and will stay firm relative to the EUR, requiring a temporary moderate overweighting. The underweighting of the CHF towards the EUR should be maintained in view of the deterioration in its valuation level and the decrease in risk aversion shown by investors.

Sources of return (in order of importance)

90%
- Market allocation
- Duration allocation
- Currency allocation
- Weighting issuer categories

10%
- Issuer selection
- « Yield enhancement »



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*

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.

Potentially lower reward ← → **Potentially higher reward**

Lower risk — **Higher risk**

1 2 **3** 4 5 6 7

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 pension funds both balanced management and overlay services, but also global equity and global bond mandates.

18 75 FINANCE

1875 FINANCE
Rue du 31-Décembre 40 – CH-1207 Genève
T +41 22 595 18 75 – mapfund@1875.ch

www.1875.ch