

MAP FUND MANAGEMENT

SUSTAINABLE GLOBAL BONDS (EUR)

As at end of October 2015

Investment profile

Assets class : global bonds

BM : 50% Citi WorldBIG TR, 50% Citi WorldBIG EUR TR; currency: 85% EUR

Reference currency : EUR

Minimum credit rating : «Investment Grade» (BBB-)

Investment style : long only, active, fundamental

Type of investment : sustainable, integrating ESG criteria

Number of holdings : 53 securities

Approach : top down and bottom up

Duration : min. 2 Y – max. 10 Y

Foreign currency : min. 0% - max. 30%

NAV 10.31.2015 : EUR 102.55

ISIN / Telekurs : class S : LU1121107475 / 25648531
class I : LU1121107558 / 25648534

Subscription / Redemption : D+3 / D+5

Minimum investment : EUR 10'000 (S) / EUR 100'000 (I)

Dividend distribution : capitalization

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

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

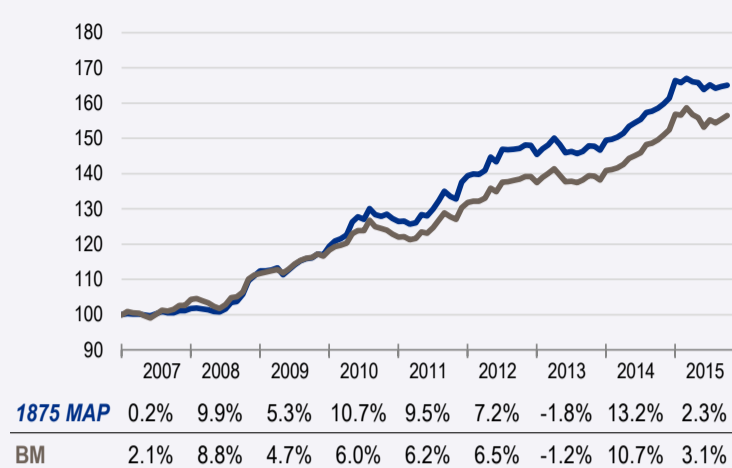
Benchmark and tactical asset allocation

Markets	BM	Margins		1875 MAP	
		Min.	Max.	Nov.15	Oct.15
Short term	0%	0%	70%	2%	7%
EUR	50%	20%	70%	46%	44%
Duration EUR	6	2	8	5	5
USD	35%	10%	50%	36%	34%
Duration USD	6	2	8	6	5
CHF	0%	0%	5%	2%	2%
Duration CHF	5	2	8	7	6
GBP	4%	0%	10%	4%	4%
Duration GBP	10	2	10	10	10
JPY	9%	0%	20%	4%	4%
Duration JPY	9	2	10	4	4
Miscellaneous	3%	0%	20%	6%	5%
Duration Miscell.	6	2	8	6	6

Currency ¹	BM	Margins		1875 MAP	
		Min.	Max.	Nov.15	Oct.15
EUR	85%	70%	100%	97%	94%
Foreign	15%	0%	30%	3%	6%

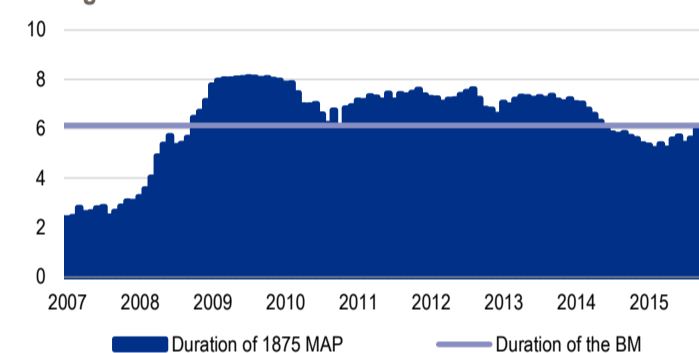
¹ after hedge

Performance



Pro forma performance until end of December 2014

Average duration



Statistics

	1875 MAP	BM
Annual return (2006-2014)*	6.67%	5.42%
YTD	2.27%	3.11%
October 2015	0.23%	0.69%
Maximum Monthly Drawdown*	-1.72%	-1.70%
Volatility*	3.65%	3.45%
Tracking-error*	1.19%	-
Sharpe ratio* ¹	1.24	1.11
Sortino ratio* ¹	3.25	2.63

¹ average risk-free rate (%) : 1.36

* pro forma statistics

Investment strategy

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

Investment philosophy and process

Provide sustainable asset management, generating superior performances versus the domestic 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 October, bonds markets were subject to contradictory influences, benefitting from deflationist pressure and mixed statistics while being affected by a drop in risk aversion. Comments from central bankers were also a main driver for developed countries government bonds. While paper in USD (-0.4%), GBP (-1.0%) and CAD (-0.5%) fell slightly, EUR paper (+0.9%) was sustained by Mario Draghi's mention of a possible additional Quantitative Easing; CHF and JPY papers were supported by the accommodating tone of the BNS and BoJ. Emerging bonds were up after the fears in relation to the Chinese growth were calmed (+1.74%). Credit risk premiums tightened in the wake of the reduction of systemic risk. As for currencies, USD has continued to appreciate vs. EUR and CHF while depreciating vs. GBP, mainly due to monetary policy anticipations.

The fund appreciated by 0.23% vs. 0.69% for its benchmark, an underperformance due to the underweight of EUR and JPY bonds.

Despite their overvaluation, 1875 MAP selectively overweights bonds and retains an average duration in line with the strategic allocation. They remain an attractive alternative to cash in time of weak nominal growth and deflation. CHF-instruments are thus overweight due to continuing deflationist pressure, those in AUD and to a lesser extent in GBP as a result of deteriorating growth anticipations. The model is neutral on USD and CAD assets. It reduces the underweight of EUR bonds due to the European monetary policy. Paper in JPY is overvalued and remains markedly underweight. With very low real interest rates and no inflation, TIPS are still not favoured. Credit allocation to US corporates is also underweight but nevertheless increases due to an attractive valuation. In Europe, credit allocation is still overweight as the profit expectations continue to improve and corporate debt is low. The currency exposure remains sensitively overweight in EUR vs. USD as the overvaluation of USD is reinforced.

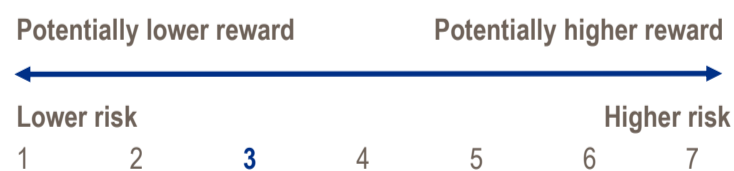
Investment objectives

Financial : outperform the benchmark over 2 years to provide excess return and yield complementary to the domestic bond market.

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

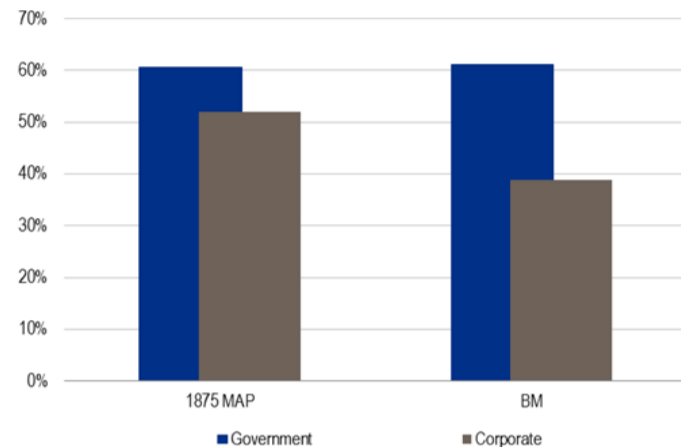
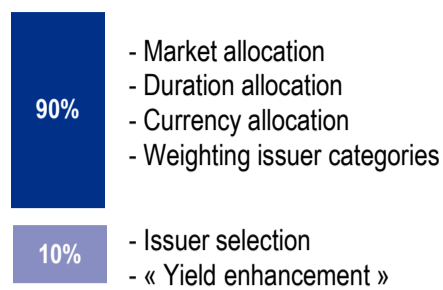


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Sources of return (in order of importance)



Glossary

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

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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