

MAP FUND MANAGEMENT

SUSTAINABLE GLOBAL BONDS (EUR) - I

As at end of December 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 : 55 securities

Approach : top down and bottom up

Duration : min. 2 Y – max. 10 Y

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

NAV 12.31.2015 : EUR 102.00

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

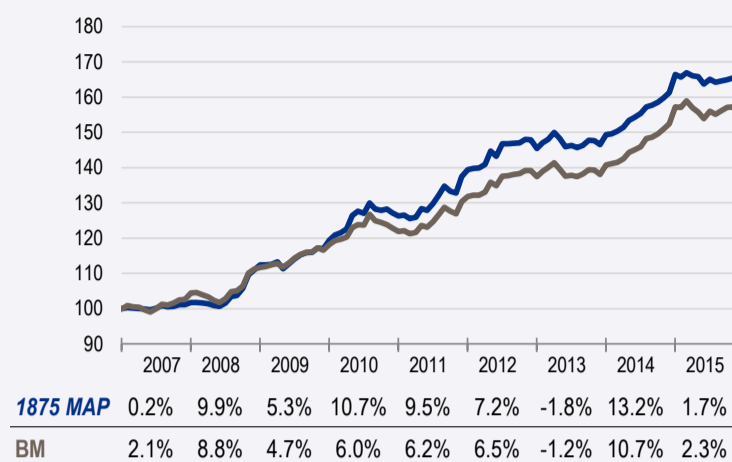
Benchmark and tactical asset allocation

Markets	BM	Margins		1875 MAP	
		Min.	Max.	Jan.16	Dec.15
Short term	0%	0%	70%	1%	4%
EUR	50%	20%	70%	45%	44%
Duration EUR	6	2	8	5	5
USD	35%	10%	50%	39%	35%
Duration USD	6	2	8	7	6
CHF	0%	0%	5%	1%	2%
Duration CHF	5	2	8	6	7
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%	7%
Duration Miscell.	6	2	8	6	7

Currency ¹	BM	Margins		1875 MAP	
		Min.	Max.	Jan.16	Dec.15
EUR	85%	70%	100%	91%	92%
Foreign	15%	0%	30%	9%	9%

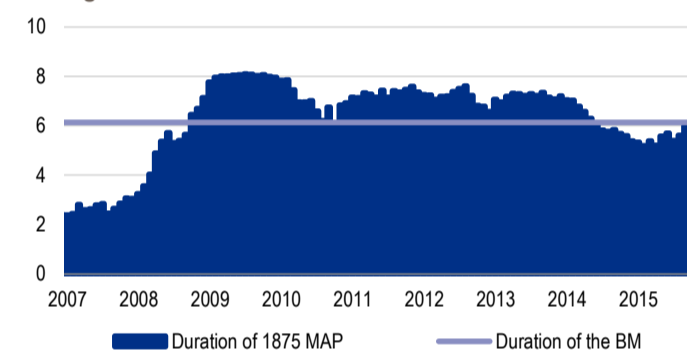
¹ after hedge

Performance



Pro forma performance until end of December 2014

Average duration



Statistics

	1875 MAP	BM
Annual return (2006-2014)*	6.67%	5.42%
YTD	1.74%	2.25%
December 2015	-0.79%	-0.88%
Maximum Monthly Drawdown*	-1.72%	-1.70%
Volatility*	3.63%	3.44%
Tracking-error*	1.20%	-
Sharpe ratio* ¹	1.20	1.09
Sortino ratio* ¹	3.14	2.54

¹ average risk-free rate (%) : 1.33

* 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

Bond markets have continued to consolidate in December, influenced by the hike of interest rates by the FED and by the smaller-than-expected monetary easing decided by the ECB. Government bonds from developed countries have evolved heterogeneously. CHF securities (-1.65%) suffered the strongest correction, due to reduced market liquidity by year-end. Penalized by their high valuation level, assets in SEK (-1.38) and EUR (-1.10%) also fell. The drop of USD instruments was limited (-0.16%) as the tightening decided by the FED was widely expected. In the wake of lower commodities prices, papers in CAD (1.24%) and AUD (0.42%) went up. High-yield bonds and emerging debt have continued to depreciate. The forex markets have seen the correction of the USD vs. the EUR (-2.85%) and the continued fall of emerging currencies.

The fund depreciated by 0.79% vs. 0.88% for its benchmark, outperforming mostly because of the underweight of EUR bond and the overexposure to EUR.

Sustained by the weak nominal growth, fixed income instruments are an attractive alternative to cash and remain selectively overweight, with an average duration in line with the benchmark. The overexposure on CHF, AUD and GBP markets is weakened after publication of better-than-expected economic data. Benefitting from lower valuation and from intensifying deflationist pressure in the USA, the exposure to instruments in USD has increased to overweight. Investments in EUR are underweight, as their expensive valuation balances out the easing from the BCE. Papers in JPY are underweight as their real yield is too low. US Corporate bonds have been moderately increased after an improvement of their relative valuation. Their European counterparts were conversely reduced as their profit expectations lowered. Regarding currencies, the overweight of the EUR vs. the USD is maintained as the USD remains overvalued and with narrowing growth rate differential between the USA and the Euro Zone.

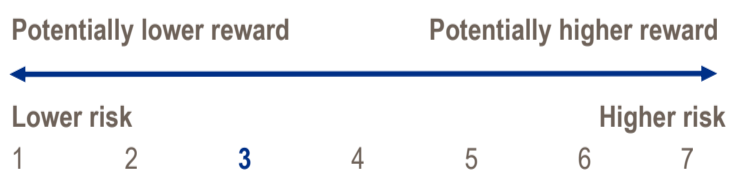
Investment objectives

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

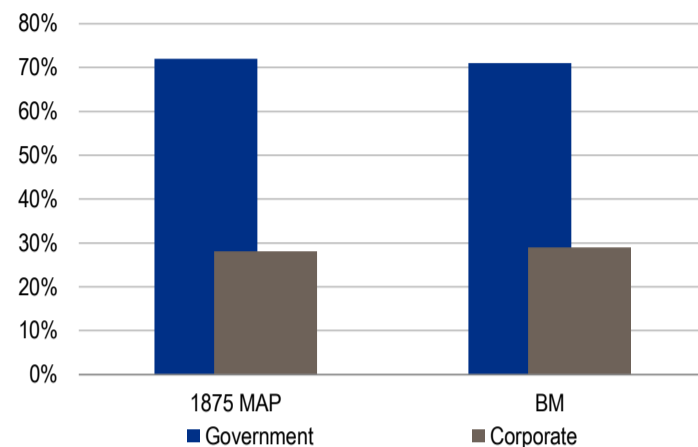
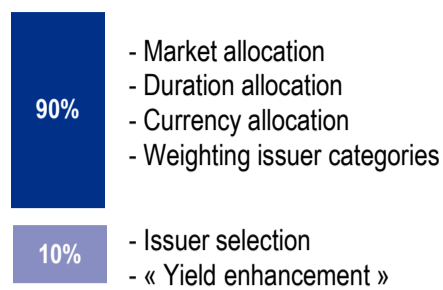


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Sources of return (in order of importance)



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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