

Investment Objective

Sustainability Fund Sample seeks capital growth by investing at least 90% of its assets in the shares of companies operating in the water sector worldwide. The fund favors companies operating in water supply, processing services, water technology and environmental services.

Fund Information

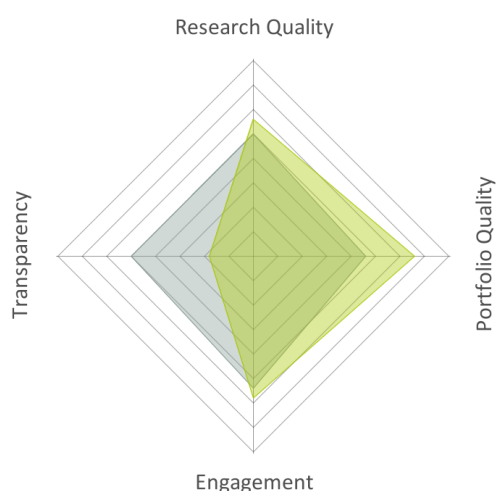
Domicile	Luxembourg	Promotor	Exemplary Asset Management
Share Class Currency	EUR	Fund Manager	John Doe
Fund Size (Mio, fund currency)	111.1 (per 31.10.2015)	Sustainability Manager	Exemplary Asset Management
Inception Date	01.01.2000	Management Fee	0.75%
ISIN	LU000EXAMPLELU0104884605	Total Expense Ratio	1.17%
Reference Index	MSCI World	Distribution	Accumulation
Regional Focus	Global	Minimum Investment	1000000
Share Class	Institutional	Return in CHF 1 Year	-6.4%
Asset Allocation	Equity	Return in CHF 3 Years	22.8%
Sustainability strategy	Thematic: Water	Return in CHF 5 Years	6.6%

Allocation Data

Portfolio date: 31.10.2015

Asset Classes	Country	Sector	Top positions
Equity	99	United States 50.0%	Energy 0.0% Suez Environnement 10.0%
Bonds	0	France 10.0%	Materials 3.0% American Water Works 9.0%
Government	0	United Kingdom 10.0%	Industrials 48.0% Pennon Group 8.0%
Corporate	0	Japan 10.0%	Consumer Discretionary 4.0% Danaher 7.0%
Cash & Others	1	China & Hong Kong 5.0%	Consumer Staples 0.0% Veolia Environnement 6.0%
		Switzerland 5.0%	Health Care 4.0% Xylem 5.0%
		Philippines 3.0%	Financials 1.0% Aqua America 4.0%
		Thailand 3.0%	Information Technology 2.0% United Utilities Group 3.0%
		Laos 2.0%	Telecommunication Services 0.0% Guangdong Investment 2.0%
		others 2.0%	Utilities 36.0% Manila Water 1.0%

Sustainability Summary



■ Median Fund
■ Sustainability Fund Sample

Fund	Sustainability Score
Sustainability Fund Sample	4.1*
Median Fund	3.5

From a sustainability point of view, the fund has a very strong overall score of 4.1 while the median of the global peer group is only 3.5. The research quality, portfolio quality and engagement scores - contributing 90% to the final sustainability score - are above the median fund, and especially the excellent portfolio quality score delivers a deciding positive impact. The portfolio quality is characterized by mediocre scores of most sub-categories, but the relevant product sustainability score is excellent. The negative impact from the low transparency score is negligible due to its low weighting.

Sustainability Category	Weight	Score
Research Quality	30%	3.8
Portfolio Quality	40%	4.3
Engagement	20%	3.9
Transparency	10%	1.9

*) The best possible score is 5, the worst is 1.

Disclaimer:

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Sustainability Analysis

Research Quality (30%) 3.8

Sustainability Fund Sample is a thematic fund investing in companies with significant exposure to the water sector. The fund manager follows a four-step investment process. First, the Sustainability Research Team in cooperation with the Advisory Board identifies future trends affecting the water sector. At the time of analysis, the fund manager favors companies operating in water supply, processing services, water technology and environmental services. Second, the investable universe is defined. Companies which have an exposure of at least 30% to water related businesses are eligible. The fund has adopted an exemplary set of non-financial exclusion criteria as defined in the Code of Ethics. The criteria set includes mostly product- and sector based exclusion criteria such as nuclear power generation, green GMO, the petroleum industry, armament, alcohol, tobacco, and others, but norms-based exclusion criteria such as human rights and labor rights are considered as well. The fund also adheres to the Norwegian Government Pension Funds exclusion list. Most of the research data are collected and evaluated inhouse, but the research team has also access to non-financial research from ESG agencies. Third, a trading liquidity and volatility analysis is carried to compile the final investment universe of about 250 companies. Fourth, the fund manager screens the investee companies on quarterly basis for controversial business activities in order to make a selection for the engagement program.

Positive Criteria Environmental:	<input checked="" type="checkbox"/>
Positive Criteria Social:	<input checked="" type="checkbox"/>
Positive Criteria Governance:	<input checked="" type="checkbox"/>
Exclusion Criteria Environmental:	<input checked="" type="checkbox"/>
Exclusion Criteria Social:	<input checked="" type="checkbox"/>

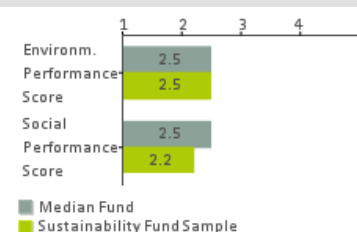
Portfolio Quality (40%) Portfolio date: 31.10.2015 4.3

Positive Screening: ESG analysis (Environmental, Social and Governance)

The environmental and social performance scores are slightly below the median fund of the thematic peer group. The negative impact on the portfolio quality is limited by the thematic nature of the fund, the only moderate underperformance and the relatively low 34.2% portfolio share with an environmental and social performance rating.

Company ratings calculated on the basis of Inrate Ltd. data.

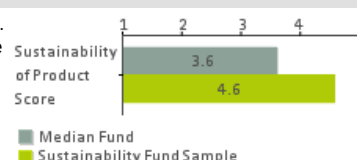
Country ratings calculated on the basis of Zuercher Kantonalbank data.



Positive Screening: Product sustainability analysis

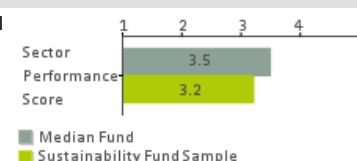
The portfolio contains a high share of companies offering products and services with a sustainability added-value. The product sustainability score is therefore significantly above the median of the thematic peer group. Due to the thematic nature of the fund, this score has a strong positive impact on the portfolio quality.

Company ratings provided by Inrate Ltd. and Partners for Sustainability AG.



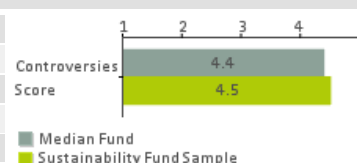
Sector Analysis: Environmental sector allocation

Like most thematic funds, Sustainability Fund Sample has a certain exposure to sectors with a high environmental impact, in this case utilities. Even in comparison to the thematic fund peer group, the exposure to sectors with a high environmental impact is strong.



Negative Screening: Controversies

Company	Weight	Controv.	Company	Weight	Controv.
Exemplary company 1	3.5%	3.4	Exemplary company 6	3.6%	4.7
Exemplary company 2	0.5%	4.5	Exemplary company 7	0.8%	4.7
Exemplary company 3	1.4%	4.6			
Exemplary company 4	2.9%	4.6			
Exemplary company 5	2.7%	4.6			



Controversies ratings calculated on the basis of Inrate Ltd. data. The best possible score is 5, the worst is 1.

Engagement (20%) 3.9

The fund's engagement score increased significantly over the last years. An policy regulates the aims and means of the engagement activities in the area of company dialogue, voting and shareholder resolutions. The voting rights of all investee companies are exercised, but the voting records are not disclosed to the public. The company dialogue program covers about 10% of the investee companies. No information is provided about the extent of the company dialogue and shareholder resolution programs.

Engagement policy:	<input checked="" type="checkbox"/>
Company dialogue:	<input checked="" type="checkbox"/>
Proxy Voting:	<input checked="" type="checkbox"/>
Shareholder Resolution:	<input type="checkbox"/>

Transparency (10%) 1.9

The transparency score of the fund is significantly below median. Hardly any information about the fund's investment strategy, non-financial investment criteria and research process is available. The fund's portfolio is not fully disclosed to the public and engagement-related information is only basic. The fund manager does not provide a non-financial report according to the Eurosif transparency guidelines.

Description of SRI approach:	<input checked="" type="checkbox"/>
Description of ESG criteria:	<input checked="" type="checkbox"/>
Description of research process:	<input checked="" type="checkbox"/>
Disclosure of full portfolio:	<input type="checkbox"/>
Description of engagement:	<input type="checkbox"/>
EUROSIF signatory:	<input type="checkbox"/>



Environmental exclusion criteria

Environmental exclusion criteria are products, sectors or corporate practices used by a fund to exclude companies from investment. When relevant, the turnover limit is given, i.e. only companies exceeding the turnover limit for the given product or business line will be excluded from investment by the fund.

<input checked="" type="checkbox"/> Airline industry (Turnover limit: 10%)	<input type="checkbox"/> GICS: Oil Equipment & Services	<input checked="" type="checkbox"/> Nuclear power generation (Turnover limit: 5%)
<input checked="" type="checkbox"/> Automobile industry (Turnover limit: 10%)	<input type="checkbox"/> GICS: Pipelines	<input type="checkbox"/> Oil drilling
<input type="checkbox"/> Chloride chemicals	<input checked="" type="checkbox"/> Green GMO (Turnover limit: 10%)	<input checked="" type="checkbox"/> Oil sand processing (Turnover limit: 0%)
<input type="checkbox"/> Coal mining	<input type="checkbox"/> Hydraulic fracturing	<input type="checkbox"/> Ozone depleting substances
<input type="checkbox"/> Conflict minerals	<input type="checkbox"/> Intensive farming	<input checked="" type="checkbox"/> Palm oil production (Turnover limit: 0%)
<input type="checkbox"/> First generation biofuels	<input type="checkbox"/> Intensive fishing	<input checked="" type="checkbox"/> Persistent organic pollutants (Turnover limit: 5%)
<input type="checkbox"/> Fossil power generation	<input type="checkbox"/> Intensive forestry	<input type="checkbox"/> Pesticides
<input type="checkbox"/> GICS: Coal	<input type="checkbox"/> Mining (general)	<input checked="" type="checkbox"/> Petroleum industry (Turnover limit: 10%)
<input type="checkbox"/> GICS: Exploration & production	<input type="checkbox"/> Natural gas drilling	<input type="checkbox"/> Uranium mining
<input type="checkbox"/> GICS: Integrated oil & gas	<input type="checkbox"/> Nuclear core components	

Social exclusion criteria

Social exclusion criteria are products, sectors or corporate practices used by a fund to exclude companies from investment. When relevant, the turnover limit is given, i.e. only companies exceeding the turnover limit for the given product or business line will be excluded from investment by the fund.

<input type="checkbox"/> Abortion	<input type="checkbox"/> Cooperation with oppressive regimes	<input type="checkbox"/> Irresponsible marketing
<input checked="" type="checkbox"/> Alcohol, production (Turnover limit: 0%)	<input type="checkbox"/> Corruption	<input checked="" type="checkbox"/> Labor rights
<input type="checkbox"/> Alcohol, sale	<input type="checkbox"/> Depleted uranium ammunition	<input checked="" type="checkbox"/> Land mines (Turnover limit: 0%)
<input type="checkbox"/> Animal testing (cosmetics)	<input type="checkbox"/> Discrimination	<input type="checkbox"/> Military goods
<input type="checkbox"/> Apparel companies	<input type="checkbox"/> Embryonic stem cell research	<input checked="" type="checkbox"/> Non-conventional Weapons (Turnover limit: 0%)
<input checked="" type="checkbox"/> Armament (Turnover limit: 10%)	<input checked="" type="checkbox"/> Forced labor	<input type="checkbox"/> Non-responsive to engagement
<input type="checkbox"/> Asbestos mining & fibers	<input type="checkbox"/> Fur farms	<input type="checkbox"/> Non-signatory of Global Compact
<input type="checkbox"/> Banking	<input checked="" type="checkbox"/> Gambling (Turnover limit: 0%)	<input type="checkbox"/> Pornography, production
<input type="checkbox"/> Biopiracy	<input type="checkbox"/> GICS: Tobacco	<input type="checkbox"/> Production of illegal drugs
<input type="checkbox"/> Breaches of Global Compact	<input type="checkbox"/> Handguns/firearms	<input checked="" type="checkbox"/> Tobacco, production (Turnover limit: 0%)
<input checked="" type="checkbox"/> Child labor	<input checked="" type="checkbox"/> Human rights	<input type="checkbox"/> Tobacco, sale
<input checked="" type="checkbox"/> Cluster bombs (Turnover limit: 0%)	<input type="checkbox"/> ICB: Defense	<input type="checkbox"/> Violation of local laws
<input type="checkbox"/> Contraceptives	<input type="checkbox"/> ICB: Tobacco	

Exclusion criteria countries (only relevant for funds that invest into government bonds)

Exclusion criteria are related to the principles and practices of countries and are used to exclude government bonds from investment.

<input type="checkbox"/> Biological/chemical armament	<input type="checkbox"/> Human rights violations	<input type="checkbox"/> Non-sign. of Anti-Personnel Mine Ban Convention
<input type="checkbox"/> Death penalty	<input type="checkbox"/> Insufficient efforts against money laundering	<input type="checkbox"/> Non-sign. of Convention on Cluster Munitions
<input type="checkbox"/> Dictatorial leadership	<input type="checkbox"/> Labor rights violations	<input type="checkbox"/> Non-sign. of Non-Proliferation Treaty
<input type="checkbox"/> Expansive nuclear power strategy	<input type="checkbox"/> Legalized voluntary euthanasia	<input type="checkbox"/> Non-signatory of the Kyoto protocol
<input type="checkbox"/> Freedom of association	<input type="checkbox"/> Military budget / Total GDP	<input type="checkbox"/> Nuclear armament
<input type="checkbox"/> Freedom of speech and press	<input type="checkbox"/> Military presence in other countries	<input type="checkbox"/> Nuclear power / total power generation
<input type="checkbox"/> High level of corruption	<input type="checkbox"/> Money laundering	<input type="checkbox"/> Subject to UN sanctions



Environmental positive criteria

Environmental positive criteria are related to the policies, processes, practices used to assess the corporate environmental performance of a company.

<input type="checkbox"/> Biodiversity policy	<input checked="" type="checkbox"/> Environmental management system	<input type="checkbox"/> Renewable energy
<input type="checkbox"/> Climate change risks	<input checked="" type="checkbox"/> Environmental policy	<input type="checkbox"/> Resource efficiency
<input type="checkbox"/> Emission control	<input checked="" type="checkbox"/> Environmental product design	<input type="checkbox"/> Suppliers environmental guidelines
<input type="checkbox"/> Energy efficiency	<input type="checkbox"/> Environmental reporting	<input type="checkbox"/> Toxic releases and waste management
<input type="checkbox"/> Environmental certification	<input type="checkbox"/> Green procurement programs	<input type="checkbox"/> Water

Social positive criteria

Social positive criteria are related to the policies, processes, practices used to assess the corporate social performance of a company.

<input type="checkbox"/> Community relations	<input type="checkbox"/> Human rights	<input checked="" type="checkbox"/> Social policy
<input type="checkbox"/> Diversity	<input type="checkbox"/> Indigenous peoples rights	<input type="checkbox"/> Social reporting
<input type="checkbox"/> Employee relations	<input type="checkbox"/> Labor rights	<input type="checkbox"/> Supplier relations
<input type="checkbox"/> Equal opportunities	<input type="checkbox"/> Product safety	<input type="checkbox"/> Suppliers social guidelines
<input type="checkbox"/> Health & safety	<input checked="" type="checkbox"/> Social management system	<input type="checkbox"/> Working conditions

Governance positive criteria

Governance positive criteria are related to the policies, processes and practices used to assess the corporate governance performance of a company.

<input type="checkbox"/> Anti-competitive practices	<input type="checkbox"/> Corporate governance	<input type="checkbox"/> Remuneration
<input type="checkbox"/> Board structure	<input type="checkbox"/> Corruption	<input type="checkbox"/> Shareholders rights
<input type="checkbox"/> Business ethics / code of conduct	<input type="checkbox"/> ESG risk management	<input type="checkbox"/> Transparency

Thematic positive criteria

Thematic funds invest in companies offering products and services that contribute to the prevention or mitigation of environmental and social problems. This fund favors companies that are active in the areas presented below.

<input type="checkbox"/> Affordable communication	<input type="checkbox"/> Health: research & development	<input type="checkbox"/> Transport: new engine technologies
<input type="checkbox"/> Affordable education	<input type="checkbox"/> Nutrition: healthy nutrition	<input type="checkbox"/> Waste: recycling
<input type="checkbox"/> Affordable finance	<input type="checkbox"/> Nutrition: vegetarian food	<input checked="" type="checkbox"/> Water: access for the under-privileged
<input type="checkbox"/> Affordable housing	<input type="checkbox"/> Resources: Efficiency	<input checked="" type="checkbox"/> Water: desalination
<input type="checkbox"/> Agriculture: sustainable production	<input type="checkbox"/> Resources: Sustainable extraction	<input checked="" type="checkbox"/> Water: efficiency
<input type="checkbox"/> Air: emission control	<input type="checkbox"/> Technology: new materials	<input checked="" type="checkbox"/> Water: purification
<input type="checkbox"/> Energy: alternative production	<input type="checkbox"/> Technology: pollution control	<input checked="" type="checkbox"/> Water: utilities
<input type="checkbox"/> Energy: efficiency	<input type="checkbox"/> Timber: sustainable production	<input checked="" type="checkbox"/> Water: waste water treatment
<input type="checkbox"/> Health: generic medical products	<input type="checkbox"/> Transport: mass transit systems	

Positive criteria countries (only relevant for funds that invest into government bonds)

Positive criteria are related to policies, action programs and practices used to assess the sustainability performance of government's and countries.

<input type="checkbox"/> Air pollution & climate change	<input type="checkbox"/> Environmental policy	<input type="checkbox"/> Standard of living
<input type="checkbox"/> Biodiversity	<input type="checkbox"/> Health care	<input type="checkbox"/> Technological progress
<input type="checkbox"/> Economic indicators	<input type="checkbox"/> Human rights	<input type="checkbox"/> Waste management
<input type="checkbox"/> Education	<input type="checkbox"/> Political standards	<input type="checkbox"/> Water quality & usage
<input type="checkbox"/> Energy efficiency	<input type="checkbox"/> Public transportation	