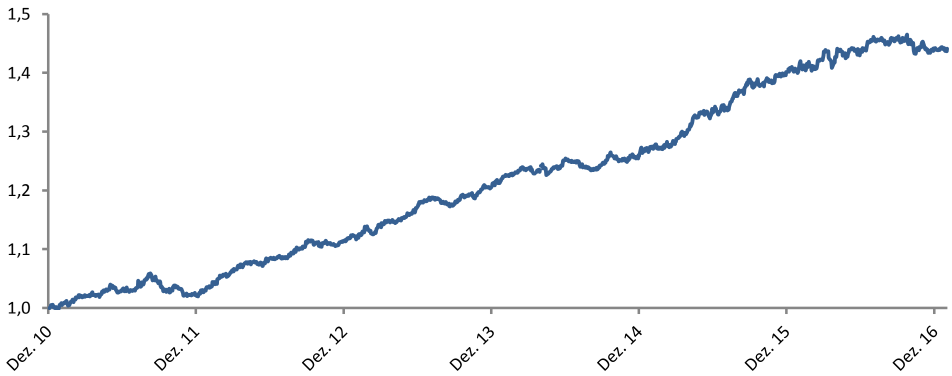
Green Convertible

German „Schuldschein“ – emission negative

Historical Performance



Excess Returns (in%)*

	2011	2012	2013	2014	2015	2016	2017
Strategie	2,2%	9,0%	8,3%	4,3%	11,4%	2,7%	0,1%

(*) Implementation, 95 %, transaction costs included, until 01/2017, hedge monthly adjusted

(**) depends on currenty yields

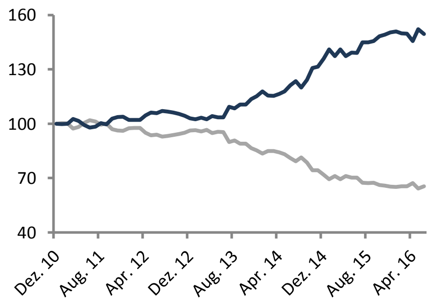
Institutional portfolios affected by impact of climate change

“The analysis of a relation between CO_2 intensity and financial performance has shown, that an investment strategy focused on companies with a comparatively low CO_2 intensity can be relatively advantageous. […] The conclusion can be drawn that the importance of CO2 emissions for investment decisions is increasing.” (05/2016, Prof. Dr. Alexander Bassen, Prof. Dr. Timo Busch, Stefan Lewandowski, Franziska Sump)

In search for climate smart investments

Whitepaper: South Pole Group,
Prof. Alexander Bassen, Alpha Centauri

Low Carbon vs. High Carbon

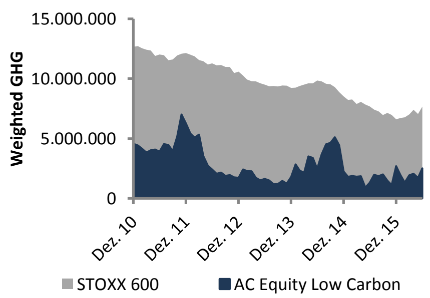


Low Carbon (blue) with higher / better performance
compare to High Carbon (grey) Source: Alpha Centauri

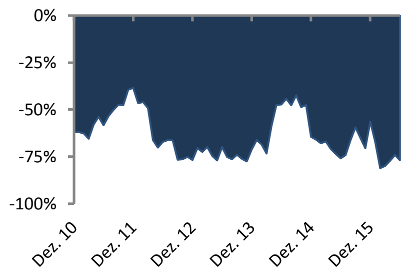
Conclusion: CO_2 Footprint critical for performance

Market Neutral investment solution delivering negative portfolio CO_2 footprint

„Green House Gas Emissionen“



„Portfolio CO_2 Footprint“



Characteristic

German „Schuldschein“

- Issuer: different available
- Maturity: 5 – 7,5 years
- Coupon: possible

Underlying / Indexreference

- Market neutral equity selection based on:
  - Low CO2 emission
  - Stable dividends
  - Low risk
  - High quality of earnings and balance sheet
  - Positive momentum
  - Favourable market valuations

Low Carbon Data

- South Pole Group
  - 45% market share
  - 11 years of history

Index figures

Historically (in %):
Volatility: 3.3
Return (p.a.) 6.7

Expected (in %):
Volatility: 3-5
Return (p.a.): ~ 3

Example**

Coupon: 0 %, Maturity: 7,5y.
Participation: 52 %
expected Return: 2,1 %

Coupon: 0.1 %, Maturity: 7,5y.
Participation: 43 %
expected Return: 1,8 %

Coupon: 0.2 %, Maturity: 7,5y.
Participation: 33 %
expected Return: 1,5 %

Coupon: 0 %, Maturity: 5y.
Participation: 32 %
expected Return: 1,3 %

Coupon: 0.1 %, Maturity: 5y.
Participation: 19 %
expected Return: 0,9 %

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