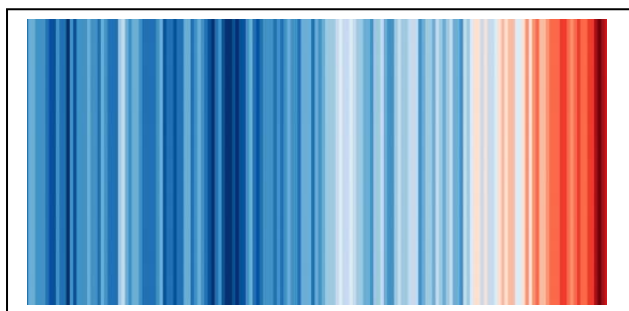


ESG PORTFOLIO MANAGEMENT

Monthly report February 2020



Source: Prof. Ed Hawkins: Warming stripes for 1850-2018. <https://showyourstripes.info/>

Both funds with positive performance in February and YTD

Both funds' positions cause warming below 1.75 degrees

ESG PORTFOLIO MANAGEMENT ADDRESSES CLIMATE RISKS

The company "right. based on science" performed a forward looking climate risk analysis for our two funds using input from the data provider Engaged Tracking.

THE POSITIONS OF THE SDG EVOLUTION FLEXIBEL AND OF THE MAYENCE FAIR VALUE BOND FUND CAUSE WARMING OF LESS THAN 1.75 DEGREES.

We work very hard to reach the 1.5 Paris target as soon as possible and look for investment opportunities which will reduce warming further.

Source: <https://www.right-basedonscience.de/en>

SDG EVOLUTION FLEXIBEL I (WKN: A1W9AZ)

In February the SDG Evolution Flexibel I performed 0.52%. Our DAX put options helped us to mitigate equity market losses stemming from the Corona virus. Also, the delta of our out of the money put options increased as equity markets fell. They were as helpful as accelerating brakes. We will use further weakness (especially volatility spikes resulting from panic selling in the market) to reduce and take profit on our put options.

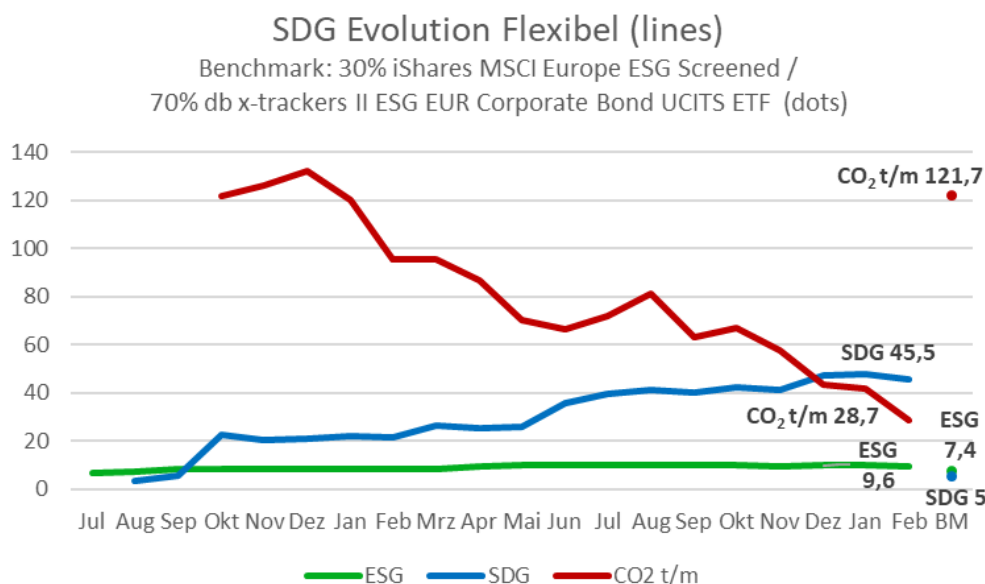
On February 5th we bought the new seven year bond of the hearing aid producer Amplifon at a spread of S+140. The ESG rating is very high (AA). The price increased to 99.72 until month end – a decent performance given the new issue price of 99.253 earlier that month.

The SDG Evolution Flexibel achieves an ESG score of 9.6 (maximum 10). 10% of our positions got an ESG rating upgrade and 1% a downgrade. For E we get 6.7, for S 6.0 and for G 6.6.

Carbon emissions, at 28.7 t CO₂ per USD million of sales, are well below the benchmark (30% iShares MSCI Europe ESG Screened / 70% db x-trackers II ESG EUR Corporate Bond UCITS ETF: 121.7 t). The SDG score is 45.5% (source: MSCI ESG).

Nur für professionelle Kunden und geeignete Gegenparteien geeignet. Nicht für Privatkunden.

The graph presents the fund's ESG quality, SDG impact and carbon emissions over time. The dots represent current benchmark data:



Source: MSCI ESG, March 2nd 2020

Performance SDG EVOLUTION FLEXIBEL

Monthly Returns (in %) - ESG Portfolio Management GmbH advises since July 2018 (green fields)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014			-0.48	0.75	0.68	-0.05	-0.25	1.08	0.30	-1.30	2.11	-1.20	1.60
2015	3.23	2.58	0.63	-0.49	-0.38	-2.49	1.52	-4.97	-1.13	4.00	1.90	-1.86	2.19
2016	-3.02	-2.12	1.21	-0.19	-0.17	-1.83	0.64	0.50	-0.47	-0.37	-0.93	1.41	-5.32
2017	0.16	1.13	1.51	0.85	0.28	-1.33	0.34	-0.72	2.96	0.84	-0.62	-0.32	5.12
2018	0.92	-1.36	-1.01	1.38	-1.23	-0.53	1.16	-0.84	-0.12	-1.57	0.42	-2.09	-4.84
2019	1.78	1.65	0.44	1.17	-1.07	-1.13	0.03	-1.22	-0.83	-0.08	1.18	0.68	2.55
2020	0.32	0.52											0.84

Source: Universal Investment, March 2nd 2020

Portfolio statistics as at February 28th 2020 (Source: Universal Investment)

(net) Asset Allocation

Equities	12.3%
Bonds	33.9%
Gold	1.2%
Cash	1.5%

Risk measurement

Risk-return profile	4 (max. 7)
Volatility 3 years	3.99%
Ø Credit-Rating	BBB+
(net) Interest duration	-0,51

Awards



Product details as at February 28th 2019 (Source: Universal Investment)

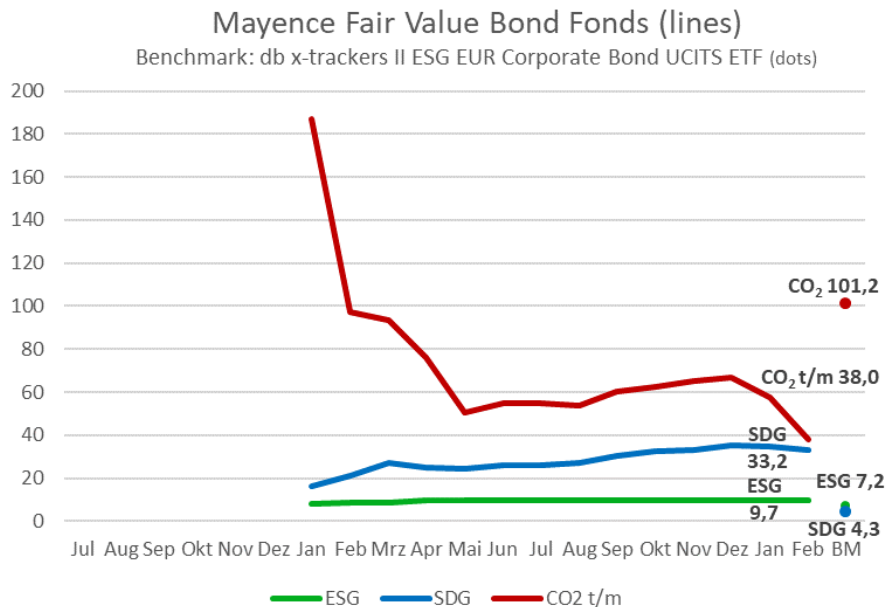
	WKN	ISIN	TER	Min. Investment
SDG Evolution Flexibel I	A1W9AZ	DE000A1W9AZ5	1,04%	100.000 EUR
SDG Evolution Flexibel R	A1W9AA	DE000A1W9AA8	2,00%	100 EUR
SDG Evolution Flexibel S	A1W9A0	DE000A1W9A02	0,67%	1.000.000 EUR

Nur für professionelle Kunden und geeignete Gegenparteien geeignet. Nicht für Privatkunden.

MAYENCE FAIR VALUE BOND FONDS (WKN: A2AQZE)

In February, our bond fund generated a return of 0.45%. We sold riskier bonds early - like the 4.375 Accor Perpetual at 108.52 (price end of February: 102.5). The fund has a very high ESG score of 9.7 (max. 10). 10% of our positions received an ESG rating upgrade and no position a downgrade. For E we get 6.5, for S 6.2 and for G 6.5. The Mayence achieves an SDG impact of 33.2%. The CO₂ emissions of the companies in the portfolio amount to 38.0 t CO₂ per million USD of sales (benchmark: db x-trackers II ESG EUR Corporate Bond: 101,2 t) (sources: MSCI ESG).

The following chart shows the fund's performance in terms of ESG quality, SDG impact and CO₂ emissions. Here, too, the points represent current benchmark data:



Source: MSCI ESG, March 2nd 2020

PERFORMANCE MAYENCE FAIR VALUE BOND

Monthly Returns (in %) - ESG Portfolio Management GmbH advises since February 2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-0.54	1.62	-0.15	1.04	-0.20	-0.35	-0.46	0.09	0.39	0.79	-0.66	0.03	1.58
2018	-0.55	0.07	-0.66	0.61	-0.41	-1.75	1.31	-0.56	0.81	-0.68	-0.73	-0.52	-3.07
2019	1.06	0.63	-0.37	0.68	0.01	-0.30	0,07	-0,98	-0,72	0,12	-0,29	0.04	-0.06
2020	0.41	0.45											0.86

Source: Universal Investment, March 2nd 2020

Portfolio statistics as at February 28th 2020 (Source: Universal Investment)

Rating Distribution		Risk measurement		Awards
AAA/AA	1.73%	Risk-return profile	3 (max. 7)	
A	27.78%	Volatility 3 years	2.73%	
BBB	55.59%	Ø Credit-Rating	BBB+	
BB	3.26%	(net) Interest duration	1,37	
NR	11.65%			

Product details as at February 28th 2020 (Source: Universal Investment)

	WKN	ISIN	TER	Min. Investment
Mayence Fair Value Bond	A2AQZE	DE000A2AQZE9	1,13%	25.000 EUR

Only for professional clients and eligible counterparties. Not for private customers - Advertisement.

Important Information & Disclaimer This information is intended exclusively for professional customers or suitable counterparties as defined in the WpHG and is not intended for private customers. This advertisement does not constitute investment advice. No guarantee is given as to the accuracy and completeness of the information and any liability for any damage resulting from the use and / or disclosure of this information is rejected.

The information is directed only at investors in the countries in which the respective fund is authorized for distribution. They are not intended for publication or use by persons or companies in a country in which the fund is not authorized for distribution. In particular, the units of the respective fund may not be offered for sale or sold within the USA nor to or for the account of US citizens or US persons resident in the USA. The documents published here and the information contained therein may not be distributed in the USA or in other countries in which distribution is not permitted.

The fund portrait is for information purposes only and does not constitute investment advice or solicitation to buy or sell shares in the fund. The sole basis for the purchase of units is the sales documents (key investor information, sales prospectus, annual and semi-annual reports) relating to the fund. Sales documents relating to all of the investment funds of Universal-Investment are available free of charge from your adviser / broker, the responsible depository or Universal-Investment at <http://www.universalinvestment.com>.

The fund has increased volatility due to its composition and investment policy, which means that unit prices may be subject to significant upward and downward fluctuations within a short period of time. Calculations or yield data are not to be understood as a yield commitment; they are purely indicative and based on data and assumptions that may possibly not be realized in practice, only in a different form or at different times. As a result, there is a risk that, in reality, lower returns or even losses, even total loss, will be achieved. Past performance is no indication of future performance.

ESG Portfolio Management GmbH, headquartered in Frankfurt am Main, is an owner-managed company with core competence in bank-independent advice on capital market products. It develops tailor-made solutions for professional investors in order to generate sustainably adequate income despite rather low risk budgets. ESG Portfolio Management is initiator and advisor to the funds Skalis Evolution Flex and Mayence Fair Value Bond Fonds.

The information may not be reproduced in extracts or as a whole without the written permission of the creator or passed on to other persons. ESG Portfolio Management GmbH is part of the investment brokerage of financial instruments and investment advice pursuant to Sec. § 1 KWG exclusively on account and under the liability of AHP Capital Management GmbH, Weißfrauenstraße 12-16, 60311 Frankfurt, active (§ 2 para 10 KWG).



ESG Portfolio Management GmbH
Weißfrauenstraße 12-16
60311 Frankfurt am Main
+49 151 50408817
klein@esg-pm.com
www.esg-portfolio-management.com