

ESG PORTFOLIO MANAGEMENT

Monthly report March 2020



Both funds received inflows
We thank our investors for their trust

Both funds outperform supported
by put options and ESG selection

We have been selected as runner-up at the ESG Investing Awards in the category Best ESG Investment Fund: Multi-Asset. Sources: <https://www.esginvesting.co.uk/awards/shortlistedfinalists>, Ingrid Weel Media Ltd.

ESG PORTFOLIO MANAGEMENT PROFITS FROM ESG PROFILE

Companies with highest ESG qualities and very positive sustainable impact belong very often to the sectors healthy food, pharma and renewable energy.

These companies performed in average much better compared to oil producers, which we exclude.

Also, companies which we do not buy, given their high emissions, like airlines, cruise travel operators or automobile producers significantly underperformed our average portfolio holdings during March.

SDG EVOLUTION FLEXIBEL I (WKN: A1W9AZ)

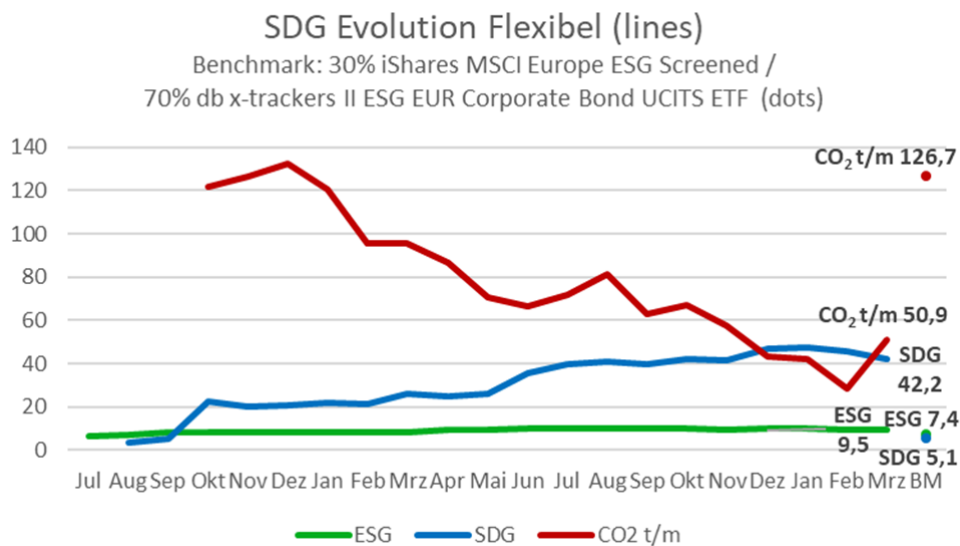
In March the SDG Evolution Flexibel I performed negative 6.43%. Our DAX put options helped us to mitigate losses from equity and corporate bond market weakness stemming from the Corona virus. During March we sold our put options in seven steps exploiting volatility spikes and forced (panic) selling in the market. In the morning of March 24th we reached our long term average equity allocation of nearly 30% and profited from the recovery. As we remain cautious, we bought new longer dated DAX put options at end the of March and reduced our equity allocation below 20%.

The SDG Evolution Flexibel achieves an ESG score of 9.5 (maximum 10). 9% of our positions got an ESG rating upgrade and no downgrade. For E we get 6.7, for S 6.0 and for G 6.5.

Carbon emissions, at 50.9 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: 126.7 t). The SDG score is 42.2% (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, April 1st 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	-6.43										-5.65

Source: Universal Investment, April 1st 2020

Portfolio statistics as at March 31th 2020 (Source: Universal Investment)

(net) Asset Allocation

Equities	8.5%
Bonds	43.9%
Gold	0%
Cash	-0.4%

Risk measurement

Risk-return profile	4 (max. 7)
Volatility 3 years	4.86%
Ø Credit-Rating	BBB+
(net) Interest duration	0.92

Awards



Product details as at March 31th 2020 (Source: Universal Investment)

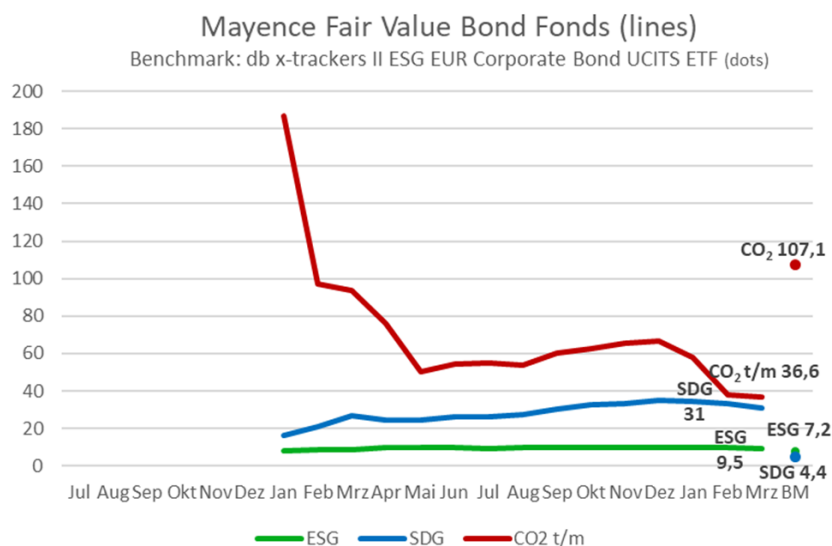
	WKN	ISIN	TER	Min. Investment
SDG Evolution Flexibel I	A1W9AZ	DE000A1W9AZ5	1,04%	100.000 EUR
SDG Evolution Flexibel R	A1W9AA	DE000A1W9AA8	2,00%	100 EUR
SDG Evolution Flexibel S	A1W9A0	DE000A1W9A02	0,67%	1.000.000 EUR

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

MAYENCE FAIR VALUE BOND FONDS (WKN: A2AQZE)

In March, our bond fund generated a return of minus 3.93%. Also here, the put options helped to reduce losses. During the end of March we bought several very attractive new issues which performed immediately. The fund has a very high ESG score of 9.5 (max. 10). 7% of our positions received an ESG rating upgrade and no position a downgrade. For E we get 6.4, for S 6.2 and for G 6.6. The Mayence achieves an SDG impact of 31%. The CO₂ emissions of the companies in the portfolio amount to 36.6 t CO₂ per million USD of sales (benchmark: db x-trackers II ESG EUR Corporate Bond: 107,1 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, April 1st 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	-3.93										-3.10

Source: Universal Investment, April 1st 2020

Portfolio statistics as at March 31th 2020 (Source: Universal Investment)

Rating Distribution

AAA/AA	2.16%
A	24.84%
BBB	57.54%
BB	4.10%
NR	11.35%

Risk measurement

Risk-return profile	3 (max. 7)
Volatility 3 years	2.88%
Ø Credit-Rating	BBB+
(net) Interest duration	2.87

Awards



Product details as at March 31th 2020 (Source: Universal Investment)

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

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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.

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