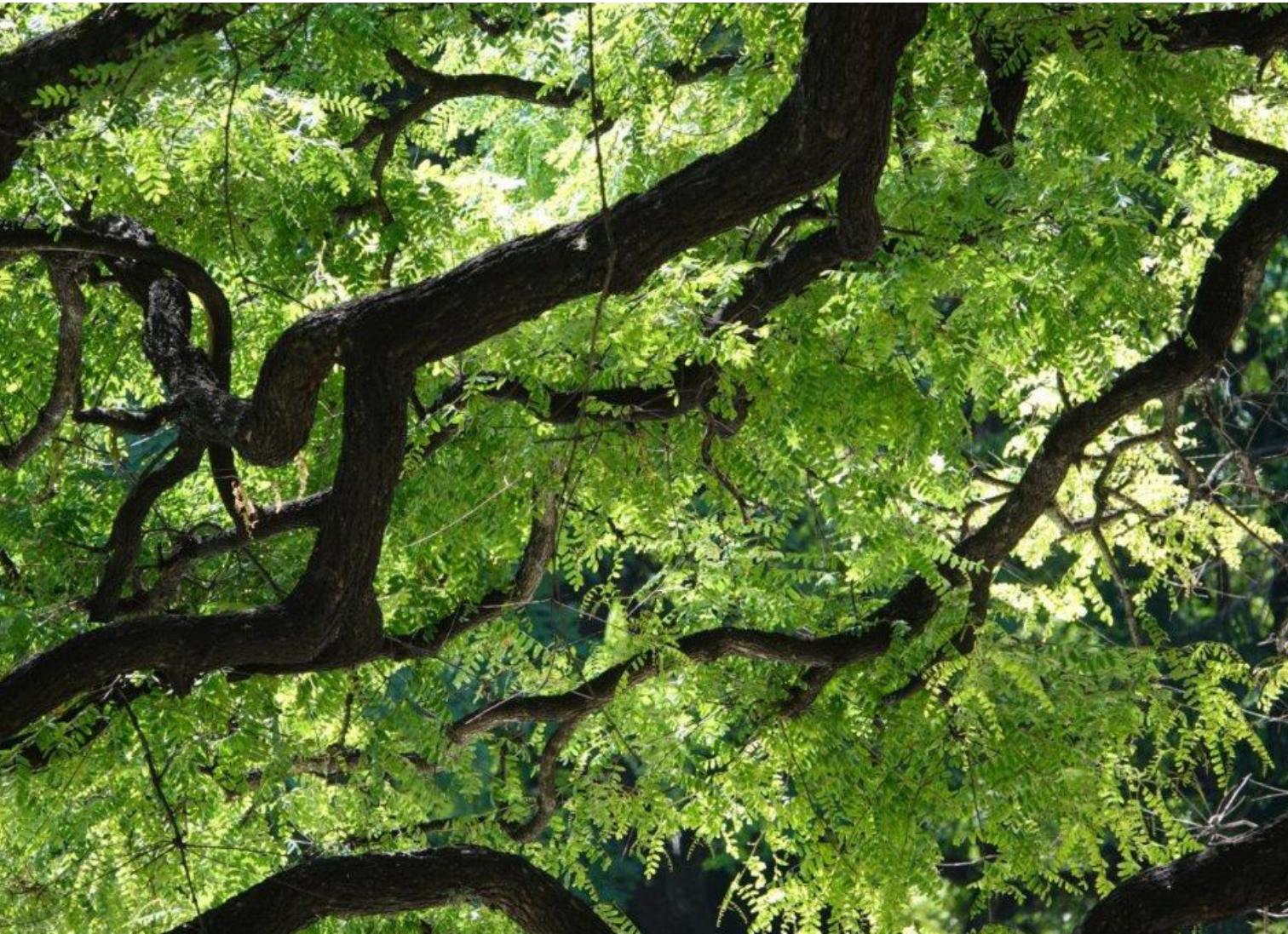


ACATIS FAIR VALUE FONDS

Sustainability and Value Investing



SUSTAINABILITY COMBINED WITH VALUE INVESTING

ACATIS specialises in "Value Investing". The idea of combining this investment style with sustainability and putting it into practice in multiple funds goes back to 2009. The combination of sustainability and value investing is the unique selling point of the ACATIS FairValue funds. In a modern national economy, investment funds put their money where they will be managed sensibly. Investments change the world. As investors, we take our responsibility seriously:

- ACATIS uses ethical, social and ecological criteria to find firms that act responsibly but still offer a good rate of return.
- The resources of our earth are limited, and they are consumed at an ever-faster rate. We must manage them more carefully. In this context, ACATIS also uses the recently adopted 17 sustainable development targets of the UN to identify companies that change the world for the better.

In our own studies, we have found that the combination of value and sustainability can generate higher-than-average returns over the long term. And not only that: We have also found that companies that make a positive contribution towards the sustainable development targets with more than 50% of their sales revenues perform even better.

The Swiss investment boutique ACATIS FairValue Investment AG is the sustainability specialist for the ACATIS FairValue funds. It defines and verifies the sustainability criteria and develops the relevant investment universe.

We apply the sustainability and value principles for the stocks and bonds investment classes, and for asset-managing purposes. Naturally, we also offer customised solutions. We would be happy to assist you in achieving your own sustainability goals.



Dr. Hendrik Leber
Partner at ACATIS Investment
Kapitalverwaltungsgesellschaft mbH



Rainer Unterstaller
Sustainability advisor
Partner at ACATIS Fair Value Investment AG

A handwritten signature in black ink, appearing to read "H. Leber".

Dr. Hendrik Leber

A handwritten signature in blue ink, appearing to read "Rainer Unterstaller".

Rainer Unterstaller

ESG/ ENVIRONMENT, SOCIAL, GOVERNANCE

ESG CRITERIA

The ethical/sustainable valuation process for companies is frequently divided into three areas, namely environment, social and company management (governance) - or ESG in short.

This term was established to express whether and how companies consider and implement ecological and social/societal aspects and the type of governance in their decision-making processes and business practices.

Hence sustainability is not only a purely environmental issue but is also concerned with how a company treats its employees or how it addresses the issue of human rights and the principles of good governance (e.g. compensation for directors). Each of the three aspects includes a number of different criteria. Areas under assessment include environmental performance, the development of air emissions and water consumption, occupational safety and health, non-discrimination, prohibition of child and forced labour; transparent measures to prevent corruption and bribery, as well as whistle-blower policies.

In essence, ESG assessments evaluate these areas by looking back into the past using the current (status quo) perspective.

ESG criteria



SDG/ THE 17 SUSTAINABLE DEVELOPMENT TARGETS OF THE UN

SDG CRITERIA

We are facing serious economic, social and ecological challenges. To address these challenges, the United Nations has defined globally applicable priorities and targets until the year 2030 on the basis of Sustainable Development Goals (SDGs). They represent a unique opportunity for moving the world towards a sustainable future. Governments around the world have already committed to these targets. Now it is time for businesses to implement the relevant measures so that the targets can be met by the year 2030.

The fact that 193 countries were able to agree on targets for a more sustainable world is a great achievement in itself. With 169 sub-targets, the agenda is very comprehensive and addresses all dimensions of sustainability. Ending global poverty is the top item on this list of 17 targets. This includes the fight against hunger and access to clean water.

Other important targets include improving infrastructure, enforcing gender equality, peace and security, health care, sustainable consumer behaviour, climate protection and the protection of the world's oceans. In addition, all children worldwide shall have access to free elementary school education.

The 17 sustainable development targets (SDGs) of the United Nations



Industrial countries are explicitly called on to achieve the sustainable development targets. For example, the "2030 Watch" portal is an instrument that monitors the implementation of the sustainable development targets

1. No Poverty
2. Zero Hunger
3. Good Health and Well-Being
4. Quality Education
5. Gender Equality
6. Clean Water
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation
10. Reduced Inequalities
11. Sustainable Cities
12. Responsible Consumption and Production
13. Climate Action
14. Life below Water
15. Life on Land
16. Peace and Justice
17. Partnerships for the Goals

ACATIS FAIR VALUE FUNDS/ THE SUSTAINABILITY PROCESS

OUR SELECTION PROCESS FOR SUITABLE INVESTMENTS CONSISTS OF TWO PROCESSES - THE SUSTAINABILITY PROCESS AND THE VALUE INVESTMENT PROCESS

Titles are subjected to a sustainability screening. Sustainability specialist ACATIS Fair Value Investment supplies the stock universe for the funds. An independent Sustainability Advisory Board monitors the sustainability criteria of the funds.

COMPANY

First, companies that breach our exclusion criteria are filtered out over several steps:

- Companies that e.g. breach the criteria for child labour (also in their supply chains), or companies involved in strategic armaments and weapons, embryonic stem cell research, green genetic engineering, corruption and financial fraud or companies that generate oil from tar sands and shale are removed. The criterion "companies excluded from the Norwegian sovereign wealth fund" has also been added.
- Also excluded are companies that generate more than 5% of their sales revenues from e.g. alcohol, nuclear energy, gambling, pornography, armaments, tobacco and weapons.

Fair Value exclusion process for companies



ESG SCORE

Only companies with a positive ESG point score of more than 15 points for environment, social issues and governance remain in the sustainability process.

SDG CONTRIBUTION

Especially positive companies that generate their sales revenues with products or services that contribute to achieving the sustainable development goals (SDGs) are subsequently filtered out.

COUNTRIES

The sustainability rating for countries, supranational organisations or local entities is also very refined. These issuers are assessed on the basis of the following criteria (among others): Possession of nuclear weapons, death penalty, share of nuclear energy over 15%. Countries that

are deemed non-free states according to Freedom House, that have not ratified the UN biodiversity convention, that are rated low in the corruption perception index or that breach the Non-Proliferation Treaty are also excluded.

Corruption is spreading in more and more countries. Our filter excludes countries affected by corruption. At this time, 94 countries are subjected to the country rating, and only 31 comply with our ethics criteria.

FAIR VALUE UNIVERSE

The result - approximately 2,700 companies, 500 bond issuers and 31 countries that meet our ACATIS Fair Value criteria.

ACATIS FAIR VALUE FUNDS/ THE INVESTMENT PROCESS

WHEN IT COMES TO OUR FUNDS, WE LOOK FOR SECURITIES WHOSE INTRINSIC VALUE IS HIGHER THAN THE MARKET VALUE, THAT OFFER A MARGIN OF SAFETY AND THAT PROMISE POSITIVE PRICE DEVELOPMENTS IN THE FUTURE. THAT IS OUR VALUE INVESTMENT PROCESS

All ACATIS Fair Value funds are managed by the portfolio management team led by Dr. Hendrik Leber. Dr. Leber has successfully managed assets and portfolios for more than 20 years. He has won many awards, including the Golden Bull for Fund Manager of the Year 2017.

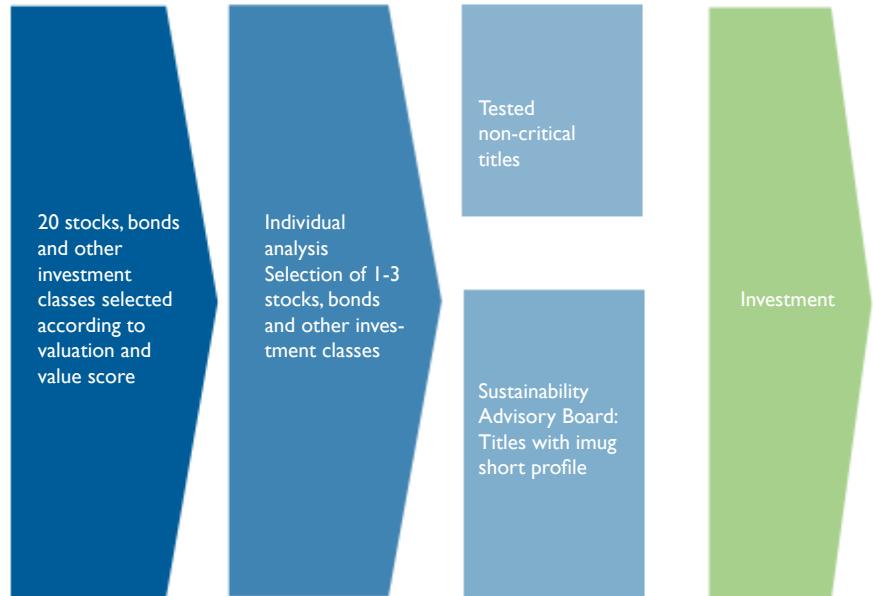
STOCKS

Stocks are diversified by industry and country (e.g. Germany, Europe, Eastern Europe, US, Japan, China, India). A number of stand-alone issues are also defined as an investment class.

BONDS

We invest mainly in euro bonds (specifically, corporate bonds). In addition to government bonds, we also define supranational issuers (e.g. European Investment Bank), quasi-sovereign issuers (e.g. KfW or Deutsche Bahn), local entities (e.g. city of Warsaw), covered bonds, convertible bonds, inflation-protected bonds or emerging markets as separate investment classes.

Schematic representation of the investment process



OTHER INVESTMENT CLASSES

The block of "other investment classes" consists of real estate, forestry and other innovative investment instruments (e.g. "dividends" or "volatility") or hedging instruments. We use these to stabilise the fund against fluctuations and to take advantage of market opportunities in undervalued asset classes.

ACATIS FAIR VALUE AKTIEN GLOBAL/ OUR SUSTAINABLE GLOBAL EQUITY FUND

INVESTMENT PHILOSOPHY

ACATIS Fair Value Aktien Global invests in shares of international companies that comply with sustainability principles. These are companies that are selected in special consideration of the sustainability and ethical concept, and which have high standards with regard to business, social and ecological responsibility. Fund management uses the proven value approach for selecting individual stocks.

INVESTMENT PROCESS

In the first step, stocks are pre-selected using the ACATIS Fair Value value-sustainability rating. This process generates 2,700 titles that meet the criteria of our ethics and sustainability filters with regard to ESG attributes and SDG company activities.

In the next step, the selected stocks are subjected to our value filters. Approximately 20 stocks with particularly positive value indicators and a good valuation are then analysed by fund management in more detail according to qualitative aspects. Besides examining the balance sheet and the income statement, we also look at company's position in the market. Does it have products or patents that support the achievement of the SDGs, that stand for a sustainable future and play an active part in shaping the future, and which keep competitors at bay?



Vestas generates wind power and is included in fund's portfolio.

Or does the company enjoy a very high level of customer loyalty or on-going service revenues?

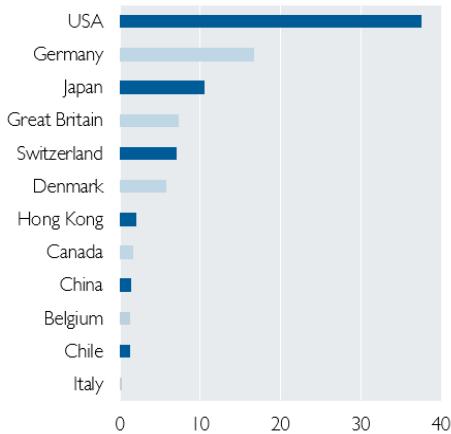
If a stock meets these criteria and offers an adequate margin of safety, it will replace a portfolio title with an insufficient margin of safety. The composition of the fund is continuously adjusted and kept at the optimum balance.

The combination of sustainability and value allows us to select companies that take responsibility for subsequent generations, that make a positive contribution to the 17 UN sustainability targets and that create long-term value.

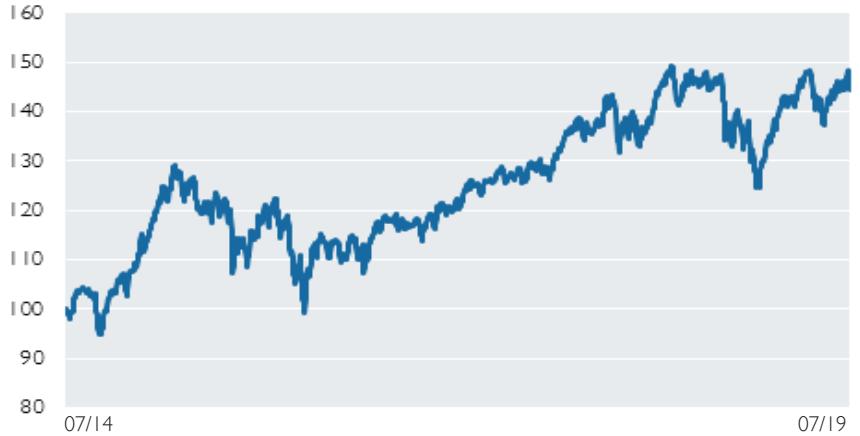
The ACATIS Fair Value Aktien Global fund is available in different EUR, CHF and USD share classes.

ACATIS FAIR VALUE AKTIEN GLOBAL/ ALLOCATION AND PERFORMANCE

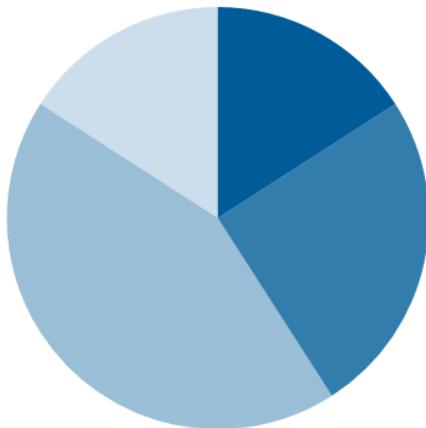
ALLOCATION BY COUNTRY



FIVE-YEAR-PERFORMANCE OF ACATIS FAIR VALUE AKTIEN GLOBAL (EUR)



SUSTAINABILITY RATING



Performance YTD	5 years	Since inception	Since inception p.a.	Volatility 5 years
13.6%	44.4%	133.9%	5.7%	11.5%

As at 31 July 2019

- Level 1 (Very high standard, positive assessment without negative criteria)
- Level 2 (Good and satisfactory standard, positive assessment)
- Level 3 (Minimum standard)
- Sustainability Advisory Board approved

ACATIS FAIR VALUE MODULOR VERMÖGENSVERWALTUNGSFONDS/ OUR ASSET-MANAGING BALANCED FUND

INVESTMENT PHILOSOPHY

The ACATIS Fair Value Modulor Vermögensverwaltungsfonds is a globally-investing balanced fund. Only issuers that fulfil ethical-sustainability criteria and that comply with high standards regarding social, business and ecological responsibility are selected for the fund.

The fund does not pursue a specific geographic, industry or industry-specific focus. It invests globally in stocks, REITs, bonds, profit participation certificates and other innovative investment instruments, such as income trusts or certificates, with the objective of achieving steady value growth with minimum price fluctuations through diversification and investments in different undervalued investment classes.

ACTIVE HEDGING AGAINST FALLING SHARE PRICES

Besides diversification and weighting, risk management represents an important element for the preservation of capital. If we were to reach a period of euphoria, it would also be reported by our valuation models, and we could hedge our positions accordingly. Hedges can reduce the financial equity exposure to zero percent.



The world from the viewpoint of agricultural economists, Horti Technology, Naaldwijk, Netherlands

PERFORMANCE OPPORTUNITIES THROUGH TWO COMBINED INVEST- MENT PROCESSES

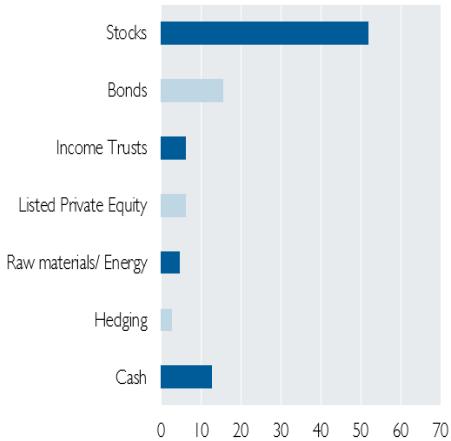
Our balanced fund demonstrates that sustainable investment can go hand in hand with higher yields.

The fund also aims to provide investors with regular (higher-than-average) annual distributions.

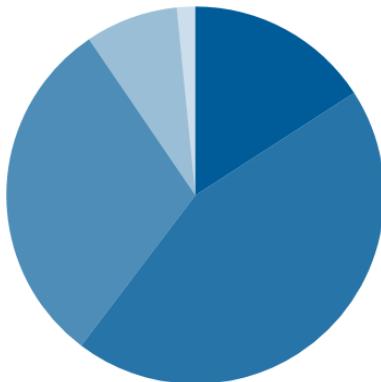
Since converting the fund concept to sustainability on 1 May 2012, the ACATIS Fair Value Modulor Vermögensverwaltungsfonds has gained 47.3% with a low volatility of 8.1% (as at 31 July 2019). The ACATIS Fair Value Modulor Vermögensverwaltungsfonds is available in different EUR share classes and one CHF share class.

ACATIS FAIRVALUE MODULOR VERMÖGENSVERWALTUNGSFONDS/ ALLOCATION AND PERFORMANCE

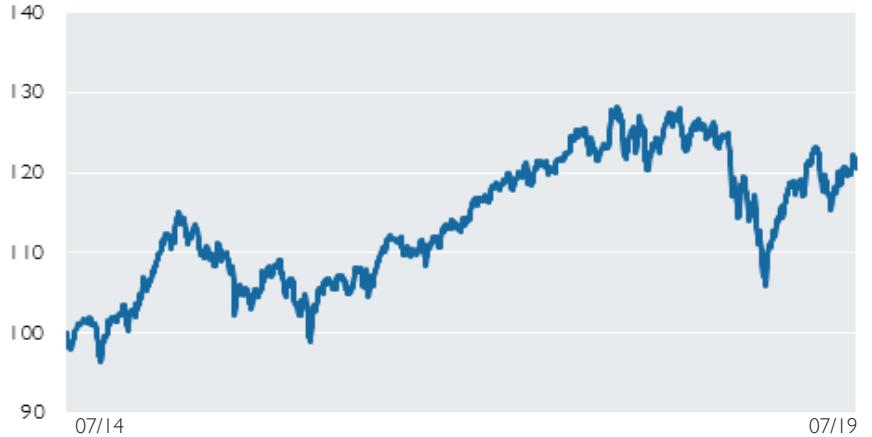
ALLOCATION BY ASSET CLASS



SUSTAINABILITY RATING



FIVE-YEAR-PERFORMANCE OF ACATIS FAIR VALUE MODULOR VV FONDS



Performance YTD	5 years	Since May 2012 *	Since May 2012 p.a.	Volatility 5 years
12.7%	20.5%	47.6%	5.5%	9.4%

■ Level 1 (Very high standard, positive assessment without negative criteria)

■ Level 2 (Good and satisfactory standard, positive assessment)

■ Level 3 (Minimum standard)

■ Sustainability Advisory Board approved

As at 31 July 2019
* since conversion to sustainability

ACATIS FAIR VALUE BONDS/ OUR SUSTAINABLE BOND FUND

INVESTMENT PHILOSOPHY

When it comes to bond funds, ACATIS Fair Value Bonds has now become a basic investment.

In this fund, which invests globally, every title is selected according to sustainability and value criteria. It mainly invests in corporate bonds, but also in government bonds and bonds of supranational organisations.

The sustainability rating for countries, supranational organisations or local entities is very refined. These issuers are assessed on the basis of the following criteria (among others): Possession of nuclear weapons, death penalty, share of nuclear energy over 15%. Countries that are deemed non-free states according to the independent organisation Freedom House, that have not ratified the UN biodiversity convention, that are rated low in the corruption perception index or that breach the Non-Proliferation Treaty are also excluded.

INVESTMENT PROCESS

Corruption is spreading in more and more countries. Our filter excludes countries affected by corruption. At this time, 94 countries are subjected to the country rating, and only 31 comply with our ethics criteria.



Japanese garden with mosses that grow at different rates.

The portfolio is organised on the basis of 12 different sectors, e.g. countries with a high, medium or low credit worthiness, local entities, insurance companies, banks, bearer notes, Pfandbriefe (German covered bonds) or supranational organisations.

We look for incorrect valuations. These occur if our assessment of creditworthiness is much better than that of the market. The bonds that correspond to our value assessments replace those titles in the portfolio that have a worse expected development trend. Titles are selected according to maturity, creditworthiness and under-valuation.

For the ACATIS Fair Value Bonds fund, management focuses in particular on safety and low volatility as part of the

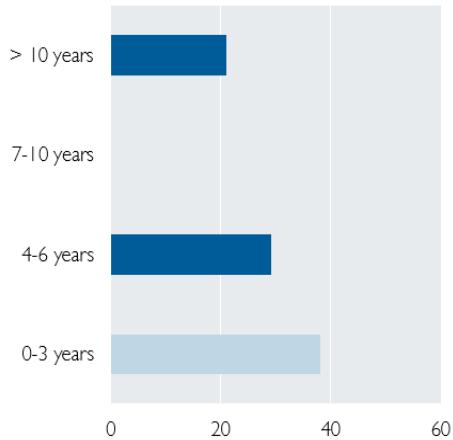
bond selection process.

The fund also aims to provide investors with regular annual distributions. In past years, the fund has achieved this target.

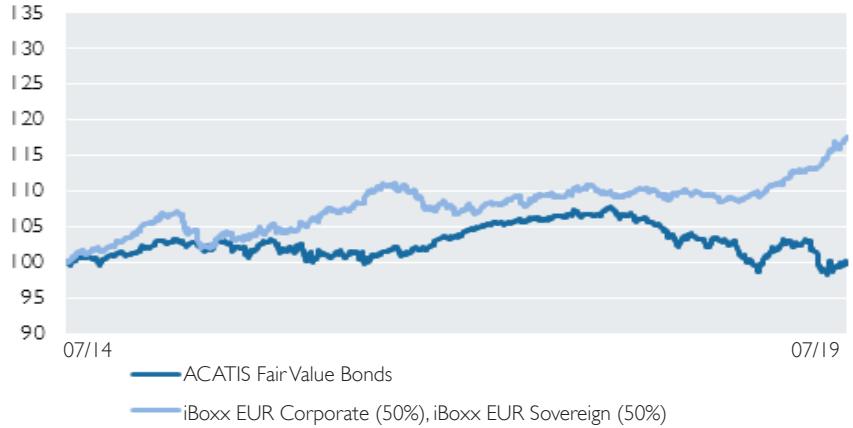
ACATIS Fair Value Bonds is available in a EUR share class.

ACATIS FAIR VALUE BONDS/ ALLOCATION AND PERFORMANCE

ALLOCATION BY MATURITY



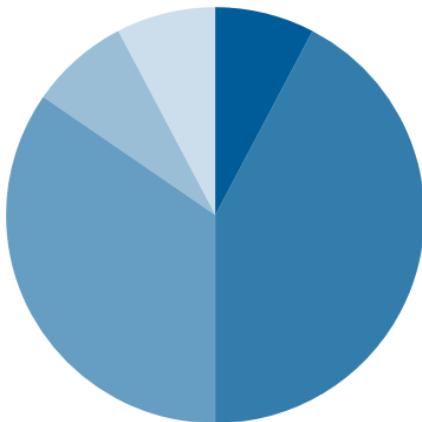
FIVE-YEAR-PERFORMANCE OF ACATIS FAIR VALUE BONDS VS BENCHMARK



Performance YTD	5 years	Since inception	Since inception p.a.	Volatility 5 years
0.2%	-0.4%	111.4%	3.5%	2.8%

As at: 31 July 2019

SUSTAINABILITY RATING



- Level 1 (Very high standard, positive assessment without negative criteria)
- Level 2 (Good and satisfactory standard, positive assessment)
- Level 3 (Minimum standard)
- Sustainability Advisory Board approved
- Countries

SUSTAINABILITY SEAL AND TRANSPARENCY CODE

FNG SEAL: THE QUALITY STANDARD FOR SUSTAINABLE INVESTMENTS

The sustainability seal is awarded by the Forum Nachhaltige Geldanlagen (FNG). Funds that have received this seal meet the quality standards for sustainable investments in the German-speaking region, which were developed by FNG.

The three ACATIS Fair Value funds have already been certified with this seal for the third time. All certified funds pursue a stringent and transparent sustainability approach.



TRANSPARENCY CODE

The transparency code is awarded by EUROSIF (European Sustainable and Responsible Investment Forum).

The transparency logo for sustainable mutual funds has provided additional transparency in the sustainable investment market since May 2008. The European transparency logo for sustainability funds is awarded to the signatories of the European SRI Transparency Code. It aims to provide investors with a quick and safe way to determine whether and where they can find detailed information about the sustainable investment strategy of an investment product.



PRINCIPLES FOR RESPONSIBLE INVESTING (PRI)

We have been a signatory of the investor initiative PRI, which was launched in partnership with the UNEP Finance Initiative and the UN Global Compact, since November 2018. The international PRI investor network has defined principles for responsible investments. The signatories want to contribute to a more sustainable global financial system.





„Sustainable and ethically correct companies offer above-average performance. The ACATIS Fair Value combination allows us to successfully combine our criteria. Sustainable value growth is also the result of entrepreneurial actions that combine qualitative sustainability with financial sustainability.“

Rainer Unterstaller
ACATIS Fair Value Investment AG

MASTER DATA

Fund name	ACATIS Fair Value Aktien Global	ACATIS Fair Value Modulor Vermögensverwaltungsfonds	ACATIS Fair Value Bonds
Investment company	IFM Independent Fund Management AG, Liechtenstein	Hauck & Aufhäuser Investmentgesellschaft S.A., Luxembourg	ACATIS Investment Kapitalverwaltungsgesellschaft mbH
Custodian	Kaiser Partner Privatbank AG, Liechtenstein	Hauck & Aufhäuser Banquiers, Frankfurt	Hauck & Aufhäuser Banquiers, Frankfurt
Manager	ACATIS Investment Kapitalverwaltungsgesellschaft mbH	Hauck & Aufhäuser Investmentgesellschaft S.A., Lux., Berater: ACATIS Investment KVG mbH	ACATIS Investment Kapitalverwaltungsgesellschaft mbH
Advisor for sustainability	ACATIS FairValue Investment AG	ACATIS FairValue Investment AG	ACATIS FairValue Investment AG
ISIN	LI0017502381 (EUR-P); dis. LI0253998061 (EUR-I), dis. LI0123466802 (CHF-P); dis. LI0306626206 (CHF-I), dis. LI0253998095 (USD-I), dis.	LU0278152516 (A); dis. LU0313800228 (B), cap. LU0278153084 (S); dis. LU0278152862 (I), dis. LU1904802169 (CHF-I), dis.	DE0009769844; dis.
Domicile	Liechtenstein	Luxembourg	Germany
Currency	EUR, CHF, USD	EUR, CHF	EUR
Front end fee	Max. 5%	Max. 5% (Class A + B) Max. 0,5% (Class S + I + CHF)	Max. 5%
Date of inception	10 May 2004 (EUR-P) 12 Jan. 2016 (EUR-I) 22 Feb. 2011 (CHF-P) 15 Feb. 2017 (CHF-I) 05 July 2018 (USD-I)	12.01.2007 Sustainable since 1 May 2012 2 January 2019 (CHF-I)	01 October 1997
Minimum investment	None (EUR-P, CHF-P, USD-I) 250,000 EUR / CHF (EUR-I, CHF-I)	None (Class A, B) 10,000 EUR (Class S) 100,000 EUR (Class I)	None
Ongoing costs (As at: 31 December 2018) *Management fee reduced by 0.25% as at 1 July 2019	2.28% p.a. (EUR-P) 1.77% p.a. (EUR-I) * 2.43% p.a. (CHF-P) 1.92% p.a. (CHF-I) * 1.88% (USD-I) *	1.94% p.a. (EUR-A) 2.12% p.a. (EUR-B) 0.73% p.a. (EUR-S) 1.37% p.a. (EUR-I) 1.87% p.a. (CHF-I)	1.25% p.a. (as at 30 Sept. 2018)
Performance fee	110% of value growth of 5% to 15%; 15% of value growth for the investment class that exceeds 15%..	Up to 5% of the fund's value development that exceeds 5% (hurdle rate). Disbursements are made annually.	BP to 15% of yield generated by the fund that exceeds the reference value (value increase of 4%); but only if the unit price reaches a new high.

ACATIS FAIR VALUE MODULOR VERMÖGENSVERWALTUNGSFONDS

ACATIS FAIR VALUE AKTIEN GLOBAL

ACATIS FAIR VALUE BONDS

OPPORTUNITIES

Professional asset management

By investing in an ACATIS fund, investors benefit from the extensive experience and expertise of a portfolio management team and comprehensive research activities.

Value growth

Market-, industry- and company-related increases in the share price, along with exchange rate increases, offer attractive earning opportunities.

Dividend payments

Some stocks come with dividend payments made by the issuer. Some bonds provide interest payments. These aspects can benefit the funds.

Risk diversification

By investing across a wide range of securities, the investment risk is reduced compared to an individual investment.

Flexibility

All ACATIS funds can be purchased and sold daily.

Transparency

The fund unit prices and value development of the funds are published on each trading day.

Security

The special assets of the fund are protected against insolvency even if the fund company becomes insolvent.

RISKS

Incorrect assessments

Incorrect assessments may occur during the investment selection process.

Value losses

Price and exchange rate losses due to market, industry and company-related factors are possible.

Issuer risk

The creditworthiness of a company or country could deteriorate. Dividend / interest payments may be lost as a result, or the security may become worthless if the issuer goes into default.

Increased price fluctuations

Increased price fluctuations may occur if the risk is concentrated in specific countries, regions, sectors and issues.

No protection for the capital employed

The fund unit price may fall below the price at which the unit was purchased. The entire capital that has been employed may be lost. Past performance cannot be used as a risk indicator for future returns.

Other risks

Counterparty and/or liquidity risks may arise depending on the security and/or fund.

Costs

One-time and recurring costs are charged against the fund unit price.

© Photos: iStock, Dr. H. Leber.

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