

Sustainable Performance Group

Monthly Report May 2011

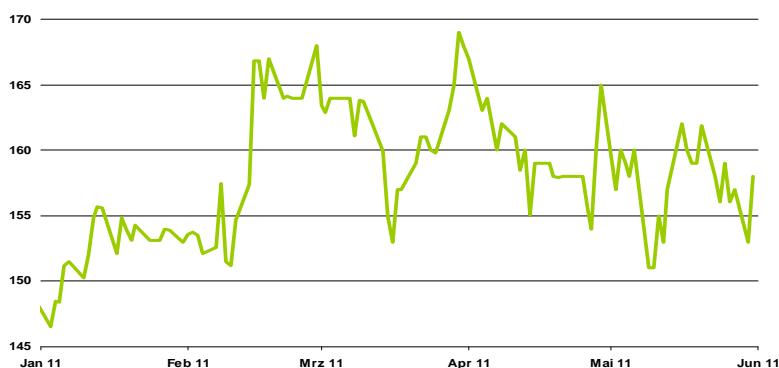
PORTFOLIO COMMENT

After a positive performance during the first quarter, the net asset value of the SPG portfolio fell by around 7% in May. One of the main reasons for this was unfavourable foreign currency trends. Both the USD and the EUR fell to new record lows against the CHF, which put the globally oriented SPG portfolio at a disadvantage. The reluctance of politicians to tackle the problem of the unavoidable restructuring of Greece's sovereign debt continued to have a negative impact on performance. Drastic reforms are urgently required in the USA as well, now that the level of national debt has reached its legal limit. Within the portfolio, the focus was on the energy sector. Despite some encouragement on the political front following Switzerland's and Germany's plans to withdraw from nuclear power, the shares of solar energy companies posted a very disappointing performance. Falling costs for solar modules combined with higher inventories raised fresh concerns about shrinking margins and subsequently weaker earnings prospects for the companies affected. The anticipated consolidation phase will definitely squeeze some providers out of the market, but the stocks contained in the portfolio should turn out to be some of the long-term winners thanks to their strong market position. The Healthy Living cluster managed to buck the negative market trend. Sun-Opta and Green Mountain Coffee produced positive results thanks to strong demand for healthy foods, while Thermo Fisher gained ground following an acquisition that was positively received by the market.

PORTFOLIO COMPANY: LINDE

Linde is a German company engaged in the industrial gases sector. It operates in two divisions, Gases and Engineering. The Gases division offers a wide range of compressed and liquefied gases and is the global market leader with a market share of about 20%. The company's products are used in several sectors including energy, steel production, chemical processing, environmental protection and welding. Linde is represented in more than 100 countries worldwide. As the industrial gases market is a highly consolidated industry characterized by a fragmented customer base, Linde's well-established footprint in Latin America, Eastern Europe and Asia should provide for above average business growth in the next few years. Furthermore, in contrast to some of its peers, Linde can achieve additional margin gains from streamlining its operations. We believe Linde will take advantage of a more consistent demand for resource efficiency, while climate change and alternative energy sourcing may potentially open up new markets for some of its industrial gases.

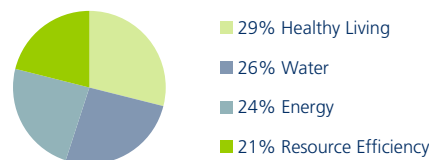
SHARE PRICE DEVELOPMENT (IN CHF)



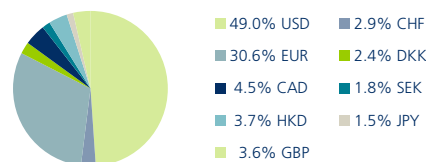
Sustainable Performance Group AG

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INVESTMENT THEMES



CURRENCIES



TEN LARGEST POSITIONS

Company	In %
inge watertechnologies	4.9
Johnson Controls	3.2
Mylan	3.0
American Water Works	2.7
KSB	2.7
Nobel	2.6
CEMIG	2.5
Trina Solar	2.4
Centrotec Sustainable	2.3
Atrium Innovations	2.2

PERFORMANCE

	YTD	1 Month	in CHF
Share Price	6.40%	-4.24%	158.00
NAV	-0.51%	-7.00%	175.32
Premium/Discount			-9.9%

MARKET CAPITALIZATION + CONVERTIBLE BOND

CHF 156'051'000.--