

Sustainable Performance Group

Monthly Report May 2010

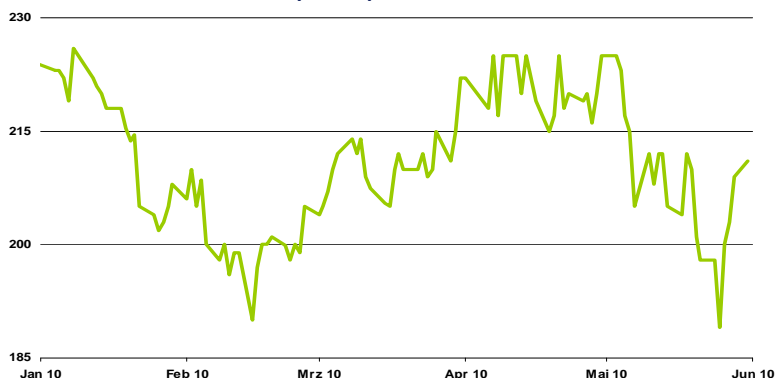
PORTFOLIO COMMENT

The MSCI World, the bellwether for global stock markets, fell by over 3% in CHF terms. This paints a slightly misleading picture of the effective distortions; insofar there has been a major shift in currency exchange rates. The exorbitant level of debt racked up by western industrialized nations increased the pressure on governments to resort to harsh, long-term public spending cuts. The euro fell below the 1.23 mark against the US dollar. The weak euro is particularly painful for solar energy companies based in China. For example both Canadian Solar and Yingli Green Energy export most of their production to the Eurozone. Although capacity utilization is very good at the moment and the currencies are hedged to a large extent, the shares of these companies fell substantially. Other energy stocks such as Noble and Iberdrola Renovables also showed signs of weakness. As in previous months, the losses in the Energy segment were cushioned by the investment cluster Healthy Living. In spite of the trend, the shares of SunOpta significantly increased, thereby confirming the successful turnaround of this company active in healthy nutrition. United Natural Food and Deckers Outdoor also posted a positive performance. Although the global debt situation will continue to be the focus of attention, the current attractive market valuations offer the chance of a market recovery thanks to positive macroeconomic data from Asia and the USA.

PORTFOLIO COMPANY: AMERICAN WATER WORKS

American Water Works supplies drinking water and provides wastewater disposal to 5% of the American population. It is therefore the largest listed water and wastewater utility in the US. 90% of American Water Works' activity is in the regulated water field, with 10% in hydraulic engineering, consultancy and the sale of infrastructure and water related products. The strength of the company is the quality of its client contacts and the potential for consolidation in the US water supply market. When it comes to sustainability, American Water Works is the leading US water company, although it should be noted that all US water utilities still lag behind their European competitors. American Water Works also has good potential for expanding its sustainable activity.

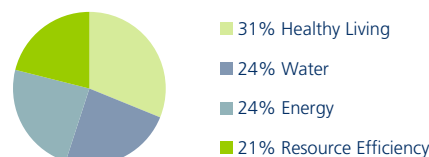
SHARE PRICE DEVELOPMENT (IN CHF)



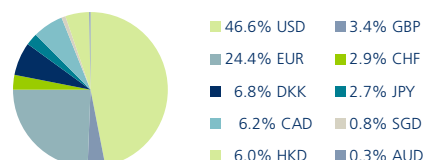
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INVESTMENT THEMES



CURRENCIES



TEN LARGEST POSITIONS

Company	In %
American Water Works	3.3
ITC	3.2
Atrium Innovations	2.9
Novo Nordisk	2.8
Chaoda Modern Agriculture	2.8
Thermo Fisher Scientific	2.6
Quanta Services	2.5
Iberdrola Renovables	2.5
Canadian Solar	2.4
KSB	2.3

PERFORMANCE

	YTD	1 Month	in CHF
Share Price	-5.8%	-6.2%	211.00
NAV	-3.3%	-7.2%	207.26
Premium/Discount			1.8%

MARKET CAPITALIZATION + CONVERTIBLE BOND (IN CHF)

CHF 191'292'000.-