

Sustainable Performance Group

The future in one share

Monthly Report July 2008

PORTFOLIO COMMENT

Following a volatile share price trend, equity markets closed slightly up in July. While the energy and base materials sectors underwent significant price corrections, financial and healthcare stocks recovered. Because of the continuing uncertainties with regard to the general economic outlook, the oil price fell by USD 20 per barrel within the space of a few days. The SPG portfolio lost 0.9% in July while the benchmark retreated 1.1%. The investment theme Resource Efficiency made a positive performance contribution thanks to the positive share price trends of Wabtec, Novozymes and Centrotec Sustainable. For the first time an investment was made in the British company Shanks Group, an innovative enterprise in the field of waste utilisation and recycling. The Healthy Living theme enjoyed mixed fortunes. While Thermo Fisher and Natura Cosmeticos saw strong gains, Bare Escentuals was disappointing, with a reduction in their earnings forecast. In the Energy field, Xantrex was sold at a profit after it was announced that Schneider Electric was set to purchase the company.

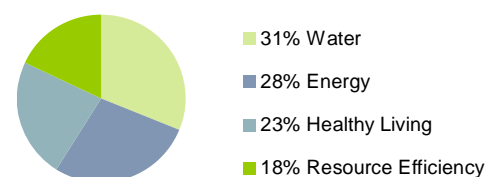
PORTFOLIO COMPANY: XANTREX & SMA SOLAR

Xantrex Technology develops, produces and markets leading-edge products in the field of power electronics. When it was announced on 28th July that Schneider Electric was set to take over the company, the share price reacted with a rise of almost 50%. The timing of the takeover is very positive for Xantrex, because an important competitor – SMA Solar, an SPG portfolio company – is entering the North American market and is challenging Xantrex Technology's market position. In terms of sales, SMA Solar is the world's largest manufacturer of solar inverters. In the field of distributed and renewable energy supply technology, SMA has been setting new standards in the industry for more than 25 years, and has contributed significantly to the development of solar technology. The group is represented with its own branches in nine countries across four continents. SMA employs around 2000 people and achieved sales of approximately EUR 330 million in 2007.

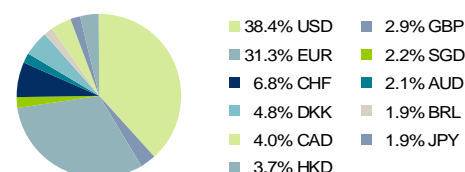
SHARE PRICE DEVELOPMENT (IN CHF)



INVESTMENT THEMES



CURRENCIES



10 LARGEST POSITIONS

Company	Percentage
Gamesa	4.5%
Chaoda Modern Agriculture	4.4%
Umicore	4.0%
Itron	3.9%
Yingli Green Energy	3.7%
Vestas Wind Systems	3.7%
Andritz	3.7%
Thermo Fisher Scientific	3.5%
Q-Cells	3.5%
Layne Christensen	3.2%

PERFORMANCE

	YTD	1 Month	in CHF
Share Price	-23.4%	-2.0%	341.00
NAV	-24.9%	-0.9%	332.28
Premium/Discount			2.6%

TOTAL PORTFOLIO ASSETS (IN CHF)

CHF 276'727'000.-