

SPG – Sustainable Performance Group

Sustainable performance with the future in one share

Quarterly
Report
04/2008



Portfolio as of 31.12.2008

| Themes | Company | Country | No. of shares on 31.12.07 | No. of shares on 31.12.08 | Local currency | Price in local currency | Market value in CHF |
|--|---|-------------|---------------------------|---------------------------|----------------|-------------------------|---------------------|
| Energy | Vestas Wind Systems | Denmark | 60 000 | 85 000 | DKK | 303.50 | 5 127 799 |
| | Gamesa | Spain | 200 000 | 200 000 | EUR | 12.71 | 3 760 888 |
| | SMA Solar Technology | Germany | – | 60 000 | EUR | 37.35 | 3 315 559 |
| | Yingli Green Energy | China | – | 470 000 | USD | 6.02 | 3 011 472 |
| | Noble Corporation | USA | 114 000 | 114 000 | USD | 22.07 | 2 677 883 |
| | Wacker Chemie | Germany | – | 23 000 | EUR | 74.88 | 2 548 054 |
| | Energy Conversion Devices | USA | – | 90 000 | USD | 25.16 | 2 410 114 |
| | SunPower | USA | 45 000 | 60 000 | USD | 36.88 | 2 355 194 |
| | XTO Energy | USA | – | 40 000 | USD | 35.26 | 1 501 159 |
| | Centrotherm Photovoltaics | Germany | – | 40 000 | EUR | 20.62 | 1 220 291 |
| | Canadian Hydro Developers | Canada | 432 189 | 489 600 | CAD | 2.97 | 1 213 147 |
| | Schmack Biogas | Germany | 70 000 | 70 000 | EUR | 3.38 | 350 050 |
| | Water | Pall | USA | – | 185 000 | USD | 28.38 |
| Itron | | USA | – | 70 000 | USD | 63.75 | 4 749 662 |
| Ecolab | | USA | 110 000 | 110 000 | USD | 35.15 | 4 115 309 |
| Stantec | | Canada | 160 000 | 160 000 | CAD | 29.88 | 3 988 559 |
| KSB | | Germany | 6 000 | 9 000 | EUR | 290.00 | 3 861 494 |
| Andritz | | Austria | – | 130 000 | EUR | 17.98 | 3 458 183 |
| Toro | | USA | 90 000 | 95 000 | USD | 33.00 | 3 336 737 |
| Geberit | | Switzerland | 36 000 | 25 000 | CHF | 113.10 | 2 827 500 |
| Kurita Water Industries | | Japan | 100 000 | 100 000 | JPY | 2 375.00 | 2 788 562 |
| Wavin | | Netherlands | 550 000 | 567 741 | EUR | 2.33 | 1 957 136 |
| Veolia Environnement | | France | 57 375 | 57 375 | EUR | 22.12 | 1 877 685 |
| Tsurumi Manufacturing | | Japan | 176 000 | 176 000 | JPY | 627.00 | 1 295 677 |
| Healthy Living | Chaoda Modern Agriculture | Hongkong | 12 150 000 | 7 500 000 | HKD | 4.95 | 5 098 448 |
| | Thermo Fisher Scientific | USA | 122 000 | 122 000 | USD | 34.07 | 4 424 013 |
| | Johnson & Johnson | USA | 71 000 | 61 000 | USD | 59.78 | 3 881 237 |
| | Sonova | Switzerland | 60 000 | 60 000 | CHF | 63.25 | 3 795 000 |
| | Hain Celestial | USA | – | 180 000 | USD | 19.04 | 3 647 740 |
| | Celestial Nutrifooods | China | 3 000 000 | 10 000 000 | SGD | 0.37 | 2 696 427 |
| | Natura Cosmeticos | Brazil | 400 000 | 300 000 | BRL | 18.99 | 2 600 172 |
| | Atrium Innovations | Canada | 170 000 | 240 000 | CAD | 12.89 | 2 580 950 |
| | Oriflame Cosmetics | Sweden | – | 80 000 | SEK | 223.00 | 2 401 128 |
| | ChinaGreen | Hongkong | – | 2 499 000 | HKD | 6.10 | 2 093 474 |
| | Puma | Germany | 10 000 | 10 000 | EUR | 141.11 | 2 087 722 |
| | SunOpta | Canada | 530 000 | 1 000 000 | USD | 1.61 | 1 713 603 |
| | Bare Escentuals | USA | 120 000 | 250 000 | USD | 5.19 | 1 380 994 |
| Resource Efficiency | SGL Carbon | Germany | – | 125 000 | EUR | 23.92 | 4 423 704 |
| | Novozymes | Denmark | 45 000 | 42 000 | DKK | 416.50 | 3 477 104 |
| | Umicore | Belgium | 38 000 | 170 000 | EUR | 13.82 | 3 475 937 |
| | Centrotec Sustainable | Germany | 220 000 | 220 000 | EUR | 10.53 | 3 427 409 |
| | Wabtec | USA | 140 000 | 75 000 | USD | 39.63 | 3 163 514 |
| | Covanta | USA | – | 100 000 | USD | 21.96 | 2 337 313 |
| | Gurit | Switzerland | 3 000 | 4 300 | CHF | 450.00 | 1 935 000 |
| | Shanks | UK | – | 600 000 | GBP | 108.20 | 993 451 |
| | Steico | Germany | 120 000 | 120 000 | EUR | 1.81 | 321 347 |
| | Catalytic Solutions | USA | 853 762 | 853 762 | GBP | 18.50 | 241 700 |
| Total listed shares | | | | | | | 131 533 658 |
| Private Equity | AquaSpy | Australia | | | | | 3 859 820 |
| | inge watertechnologies | Germany | | | | | 3 249 279 |
| | Pelamis Wave Power | UK | | | | | 3 134 481 |
| | Emerald Cleantech Fund LP II (Fondsanteile) | UK | | | | | 2 503 191 |
| | Identec Solutions | Austria | | | | | 2 102 776 |
| | AgraQuest | USA | | | | | 1 213 046 |
| Total unlisted shares | | | | | | | 16 062 593 |
| Total portfolio assets (Market capitalization + convertible bond) | | | | | | | 166 680 000 |

PORTFOLIO REPORT

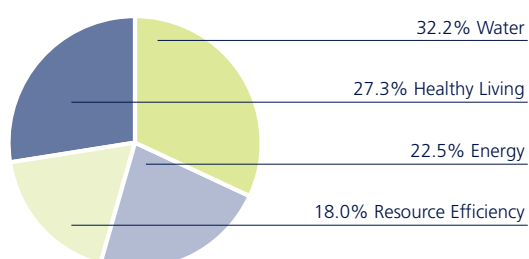
Equity markets managed to halt their downward slide in December. Although most stock exchanges finished slightly in positive territory, returns for CHF investors were negative. Gloomy news on the economy forced the US Fed to slash interest rates again, prompting another drop in the USD exchange rate to below the 1.05 mark. The global recession triggered by the financial crisis created made investors much more risk averse and led to disproportionately steep falls not only in cyclical industrial stocks, but also in small and mid caps. Shares in solar and wind energy companies accounted for much of the fall in the SPG share price. Sentiment on these shares was badly hit by falling PV module prices and uncertainties regarding the financing of new large-scale projects. Fortunately there were signs of a recovery in some sectors during the course of December. Shares of companies involved in infrastructure, such as Itron and Stantec, benefited from the economic stimulus programmes announced in the US. Yingli Green Energy soared by as much as 48%. If the situation on credit markets continues to ease in the coming months, this positive trend is likely to continue because of the portfolio's extremely low valuation.

PORTFOLIO COMPANIES: COVANTA

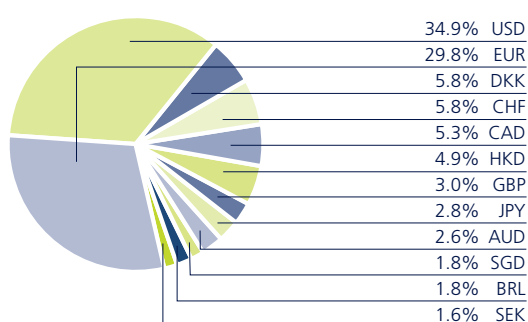
Covanta is an internationally recognized owner and operator of energy-from-waste and renewable energy projects. We believe Covanta to be a good defensive play in difficult market conditions. First, municipal waste has certain key characteristics versus other types of waste such as industrial or hazardous waste. It is abundant, non-cyclical, cheap, and bears no opportunity cost. More importantly, Covanta operates under long-term contractual agreements with municipalities (typically 20+ years), which provide great visibility of revenues and cash flows. In conclusion, we remain bullish on Covanta due to its established business model, experienced management team, supportive regulation, and the potential for growth related to international expansion in countries such as the UK and China.

PORTFOLIO

THEMES



CURRENCIES



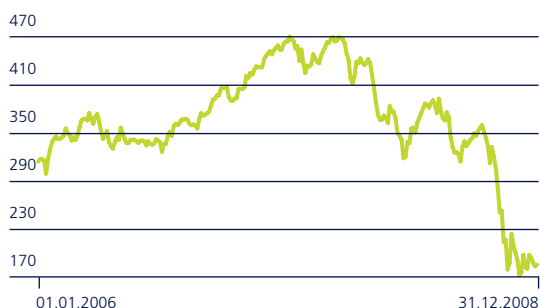
COUNTRIES

| | |
|-------------|-------|
| USA | 31.9% |
| Germany | 16.8% |
| Canada | 6.4% |
| Denmark | 5.8% |
| Switzerland | 5.8% |
| Hongkong | 4.9% |
| UK | 4.5% |
| China | 3.9% |
| Austria | 3.8% |
| Japan | 2.8% |
| Australia | 2.6% |
| Spain | 2.5% |
| Belgium | 2.4% |
| Brazil | 1.8% |
| Sweden | 1.6% |
| Netherlands | 1.3% |
| France | 1.2% |

PERFORMANCE IN CHF

| | 31.12.2007 | 31.12.2008 | Performance |
|-----------------------|------------|------------|-------------|
| Share price | 445.00 | 190.00 | -57.3% |
| Net asset value (NAV) | 442.20 | 179.52 | -59.4% |
| Premium/discount | 0.6% | 5.8% | |

SHARE PRICE IN CHF



Investment concept

| Reporting | |
|-------------------------|--|
| – Printed publications: | Audited semi-annual and annual report, quarterly reports |
| – Online publications: | Monthly reports |

| Share Price | |
|--------------|--------------------|
| – Internet: | www.sustainable.ch |
| – Bloomberg: | SPG SW Equity |
| – Reuters: | SPG.5 |

| Net Asset Value | |
|-----------------|---------------------------------|
| – Internet: | www.sustainable.ch |
| – Bloomberg: | SPG SW Equity NAV |
| – Reuters: | SUSTAIN01 (and following pages) |

| Structure | |
|---------------------------|---|
| – Established: | May 21, 1997 |
| – Legal domicile: | Zurich, Switzerland |
| – Stock Exchange Listing: | SIX Swiss Exchange since August 8, 1997 |
| – Swiss security number: | 650216 |
| – WKN: | 907695 |

The mega trends of water, energy, healthy living and resource efficiency offer attractive growth opportunities. SPG's strategic focus combines these growth themes in a diversified portfolio and invests in the most interesting small and medium-sized companies in these areas. Our close collaboration with the investment advisor SAM Sustainable Asset Management AG and the SPG Board of Directors ensures a regular review and dynamic adjustment of the themes within the portfolio.

PAC-CAR II

This innovative vehicle, powered by hydrogen fuel cells, holds the world record for low fuel consumption, covering a distance of 5385km with a hydrogen equivalent of 1L of gasoline. The only emission produced by the vehicle is water.

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