

## Globalance Sokrates Fund

A challenging year comes to an end

Although inflation rates in the USA fell more sharply than expected, the Christmas rally failed to materialize in December. Instead, interest rate levels turned upward again, which weighed on the equity markets. The Globalance Sokrates fund also closed the month in negative territory. While real estate, gold and insurance linked securities withstood the volatility, negative performance contributions from equities and bonds led to a negative result for the month and for the full year. Despite painful break in 2022, the relevance and potential of the future and megatrend themes pursued by the Sokrates fund in its investment strategy has not changed. On the contrary, future-oriented investments and investments with a positive impact are more important than ever.

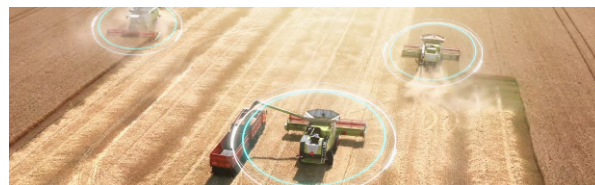
### Statistics (Performance and risk on December 31, 2022)

Performance month of December	<b>-2.0%</b>	Annualized performance since 1.1.12	<b>1.1%</b>
Performance year to date	<b>-15.9%</b>	Annualized volatility	<b>6.6%</b>
Sharpe Ratio	<b>0.2</b>		

### 5 reasons for the Globalance Sokrates fund

- + Dynamic building blocks for your retirement savings, investment and/or foundation assets
- + The world's first investment fund with a «Footprint Report» that reveals the effect on economy, environment and society
- + Investment in long-term, sustainability megatrends
- + Dynamic adjustment of asset allocation enhances total return
- + Climate warming potential within the framework of the temperature target of the global Paris Agreement

Learn more about the sustainability of this fund  
Click [here](#).



### Investment strategy

In keeping with the provisions of BVV2, Sokrates invests in a dynamically managed, broadly diversified combination of asset classes: equities, bonds, «hard assets» such as real estate, as well as in low-correlation investments like insurance-linked securities and options-writing strategies.

This approach enables us to weight the various asset classes depending on the given circumstances and our overall assessment of the markets. On that basis, the fund invests in individual positions or baskets of securities with a positive Footprint.

The attractiveness for investors lies in the broad diversification of the asset classes, the market potential of future-oriented investment themes, and the positive Footprint of the underlying entities.



**CLIMATE**  
**1,3°C**



— Benchmark index: 2,8°C

..... Paris Agreement: 2,0°C

This portfolio has a low warming potential. 67 % of this fund has a warming potential below 2 °C.

#### Fund composition

##### UNDER 2.0°C

**67 %**

##### 2.0 – 3.9 °C

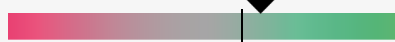
**33 %**

##### 3.9 – 10 °C

**0 %**



**FOOTPRINT**  
**64**



— Benchmark index: 59

The footprint of this portfolio is positive. 73 % of the invested capital has a positive footprint.

#### Fund composition

##### POSITIVE

**73 %**

##### NEUTRAL

**18 %**

##### NEGATIVE

**10 %**



**MEGATRENDS**  
**87%**



— Benchmark index: 62 %

This portfolio is exceptionally well positioned in terms of Megatrends and shows a share of 38 %.

#### Top 3 Megatrends

##### DIGITALIZATION

**28 %**

##### URBANIZATION

**25 %**

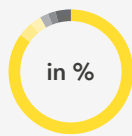
##### KNOWLEDGE BASED SOCIETY

**22 %**

## Net monthly return

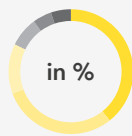
Performance and portfolio structure

Learn more about  
the sustainability  
of this fund  
Click [here](#).



### Currency Allocation

85.0	CHF	2.0	GBP
3.9	USD	4.0	Others
2.9	JPY		
2.2	EUR		



### Portfolio structure by asset class

39.3	Equities	4.9	Hedging equities (futures)
30.0	Bonds	5.2	Liquidity
12.9	Low-correlated assets		
7.7	Real assets		

### Fund data \*

#### SHARE CLASS B (CHF)

Minimum investment	no minimum
Accounting currency	CHF
Net asset value per unit	CHF 101.8
Fund assets	CHF 54.1
Management and distribution fee	1.6%
ISIN	LU0585393332

#### FUND DATA

Legal form	SICAV under Luxembourg law
Subscriptions and redemptions	Each trading day, at all distribution and payment agents
Permitted for distribution	Switzerland, Luxembourg and Germany
Payment agent in Switzerland	Credit Suisse (Switzerland) AG
Representative	Acolin Fund Services AG, Zurich
Custodian bank	Credit Suisse (Luxembourg) AG
Investment advisor	Globalance Bank AG
Contact	info@globalance.com

\*The fund was authorized by the FINMA in Switzerland and by the BaFin in Germany. As of January 2015, the fund complies with the provisions of the Swiss Ordinance on Occupational, Old-age, Survivors' and Disability Insurance (BVG).



**RETURN**  
**-2,0 %**

### Capital share

The top 10 equity positions  
on December 31, 2022

1	3i Infrastructure	2,0 %
2	Nike Inc	1,1 %
3	Estee Lauder Companies Inc	1,0 %
4	Mettler Toledo International Inc	1,0 %
5	Thermo Fisher International Inc	1,0 %

The top 5 fund positions  
on December 31, 2022

1	Optoflex	7,0 %
2	Globalance Zukunftbeweger Focused Fund	5,7 %
3	Neuberger Berman Short Duration EMMA Debt	4,5 %
4	Nordea Danish Mortgage Bond Fund	4,0 %
5	Nordea Emerging Stars Equity Fund	2,5 %

Annual performance	2022 YTD	2021	2020	2019	2018	2017
Fund net in %	-15.9	6.6	3.6	10.2	-8.6	6.0

Source: Globalance Bank AG

## Climate

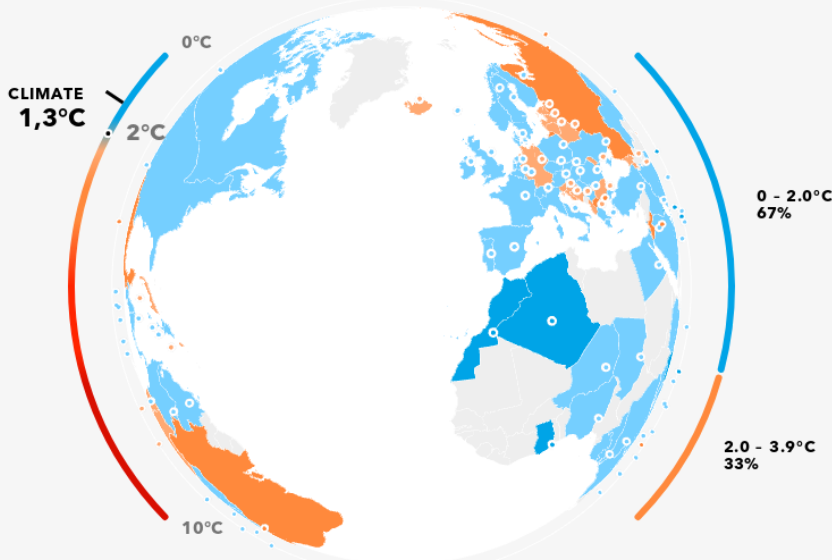
Warming potential of Globalance Sokrates Fund

View the warming  
potential of the  
fund



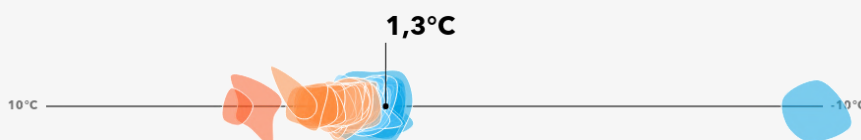
### This portfolio has a low warming potential

The warming potential is based on a methodology developed by MSCI ESG and indicates whether a portfolio is within the agreed target of the 2015 Paris Climate Agreement. For the calculation, the values of the individual investments are capital-weighted and added together.



**Explanation:** 33 % of the invested capital has a warming potential of 2 - 3.9°C.

### Heating potential of the individual positions



**CLIMATE  
1,3°C**

**SPI (SWITZERLAND)**

**1,8 °C**

**DAX (GERMANY)**

**2,5 °C**

**STOXX EUROPE 600**

**2,4 °C**

**S&P 500 (USA)**

**2,8 °C**

**MSCI WORLD INDEX**

**2,8 °C**

### Climate-Score

The five assets with the  
best climate score

- 1 Globalance Climate **-9,9 °C**  
Offset  
CAPITAL WEIGHT: **2,6 %**
- 2 Corporacion Andina de Fomento **1,3 °C**  
0.7%  
CAPITAL WEIGHT: **2,8 %**
- 3 Africa Fin Cor 1.2% **1,3 °C**  
CAPITAL WEIGHT: **2,1 %**
- 4 NN (L) SICAV - NN (L) Green Bond Short Duration I Capitalisation **1,3 °C**  
CAPITAL WEIGHT: **2,0 %**
- 5 Accenture Plc Class A **1,3 °C**  
CAPITAL WEIGHT: **1,2 %**

## Footprint

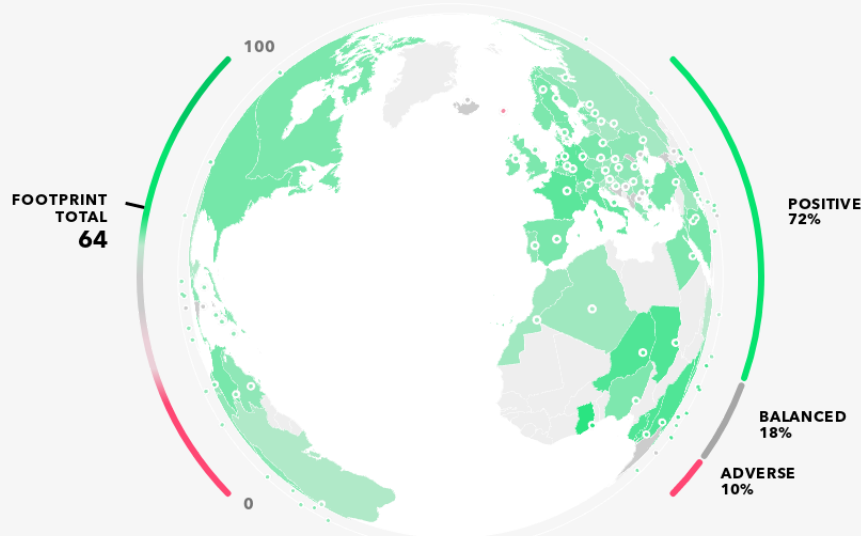
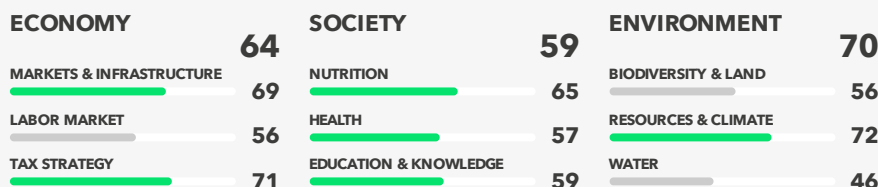
The impact of Globalance Sokrates Fund on the economy, society and the environment

View the  
fund's footprint  
[here](#)



### The footprint of this portfolio is positive

The Globalance Footprint® shows what our investors assets around the world are doing - individually and at a glance. Our grid is simple and objective. We assess the contribution to economic prosperity, the sustainability of society and the preservation of our natural resources on the basis of nine themes.



**Explanation:** 10 % of invested capital has an adverse footprint, 18 % of invested capital has a balanced footprint and 73 % of invested capital has a positive footprint. Each of the nine dimensions is evaluated on a scale of 0 - 100 and assigned a weight. The Footprint total value is calculated by adding the weighted scores of the individual dimensions.



#### SPI (SWITZERLAND)



#### DAX (GERMANY)



#### STOXX EUROPE 600



#### S&P 500 (USA)



#### MSCI WORLD INDEX



### Footprint-Score

The five companies with the best Footprint score

1	KDDI Corporation	92
CAPITAL WEIGHT: 1,1 %		
2	Automatic Data Processing, Inc.	91
CAPITAL WEIGHT: 1,1 %		
3	NN (L) SICAV - NN (L) Green Bond Short Duration I Capitalisation	90
CAPITAL WEIGHT: 2,0 %		
4	1.25 Lonza Swiss 15-23	89
CAPITAL WEIGHT: 0,5 %		
5	Mettler-Toledo International Inc.	88
CAPITAL WEIGHT: 1,1 %		



## Megatrends

So many future themes are included in  
Globalance Sokrates Fund

View the Megatrend  
share of the  
fund [here](#)



### This portfolio is exceptionally well positioned in terms of Megatrends

The Globalance megatrend score shows the average share of the portfolio's revenue generated in one or more megatrends. For the calculation, the megatrend shares of the individual investments are capital-weighted and added together.



**MEGATRENDS**  
**87 %**

**SPI (SWITZERLAND)**

**73 %**

**DAX (GERMANY)**

**53 %**

**STOXX EUROPE 600**

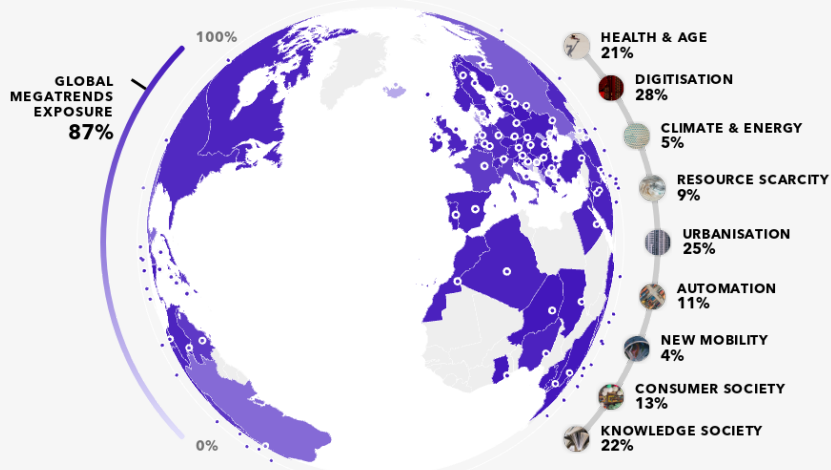
**53 %**

**S&P 500 (USA)**

**66 %**

**MSCI WORLD INDEX**

**62 %**



### Megatrend-Score

The five companies  
with the best score for three  
selected megatrends

#### DIGITALIZATION



1	Accenture Plc Class A	100 %
2	KLA Corporation	100 %
3	Microsoft Corporation	100 %
4	Intel Corporation	97 %
5	Alphabet Inc. Class A	92 %

#### URBANIZATION



1	Cellnex Telecom S.A.U	91 %
2	Rogers Communications Inc. Class B	88 %
3	American Water Works Company, Inc.	86 %
4	KDDI Corporation	85 %
5	Swiss Prime Site AG	84 %

#### KNOWLEDGE BASED SOCIETY



1	Automatic Data Processing, Inc.	100 %
2	Cellnex Telecom S.A.U	96 %
3	KDDI Corporation	84 %
4	Wolters Kluwer NV	83 %
5	Alphabet Inc. Class A	80 %

## Further information

Learn more

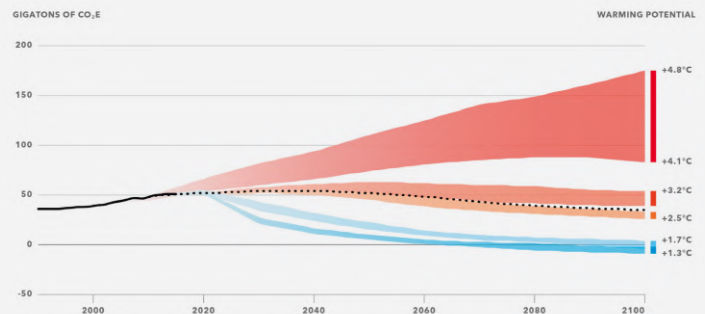


### The effect of the portfolio

Increasing weather extremes, the melting of the polar ice caps and other consequences can be directly linked to global warming. The climate crisis has an impact on wealth and vice versa. The principles of sustainability are the foundations for a livable society and a healthy environment. Integrating sustainability into a portfolio increases the resilience and potential of assets.

### The warming potential in a global context

To put the warming potential in perspective, we show the possible global emissions pathways to 2100 (chart). These were created by Climate Action Tracker and show different scenarios ranging from current political projections to short-term country pledges (until 2030) and long-term country pledges (until 2050).



### Globalance Footprint

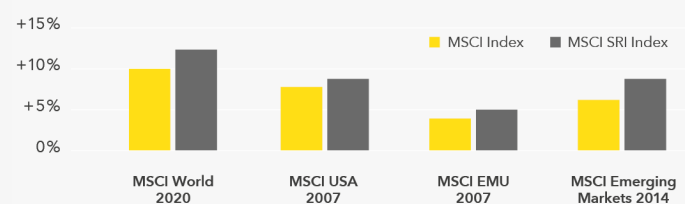
The Globalance Footprint shows what assets do in the world - in the areas of economy, society and environment. Whether shares, real estate or tangible assets: We make a systematic assessment of the impact of all investments. Our grid is simple and objective. A total of nine criteria represent sustainable foundations for prosperity, the future viability of society and the preservation of our natural life-support systems. The Footprint is positive if the value is greater than 54.



### Return on investment and sustainability

Historical comparisons between traditional and sustainable stock indices (MSCI SRI Index) show that sustainable indices generate better returns than traditional ones. In addition, by integrating factors such as ESG as a risk instrument, portfolios become more resilient in times of crisis and thus offer a better risk/return profile.

#### Annual return (since launch)





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