

Investment focus

The fund's aim is to achieve capital growth in the long term. The BB Adamant Sustainable Healthcare Fund invests in healthcare firms with strong sustainability credentials and innovative business models. Examples of sustainability in the healthcare industry are environmentally sound procurement policies for drug makers, high safety standards for medical products and services, and a commitment to ethics when conducting clinical trials. From the perspective of the patient, the early diagnosis of life-threatening diseases, personalized medicine enabling highly selective treatments and efficient treatment procedures are key sustainability indicators. A variety of high-growth themes, smart stock selection using our established investment process and the application of sustainability criteria are the fund's tools for achieving attractive returns.

Fund facts

NAV	153.23
Volume	EUR 134.7 Mio.
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Distributing

Investment manager	Bellevue Asset Management AG
Custodian	RBC Investor Services, Luxembourg
Launch date	30.11.2018
Fiscal year end	30.06.
Benchmark	MSCI World Health Care Net Return

ISIN code	LU1916264432
Valor	45071547
Bloomberg	BBSHA2E LX
WKN	A2N92P

Management fee	0.80%
Performance fee	None
Subscription fee	up to 5%
Min. investment	EUR 5.0 Mio.

Legal entity	Luxembourg UCITS V SICAV
Countries of distribution	AT, CH, DE, ES, LU
EU tax status	Out of scope

Key figures

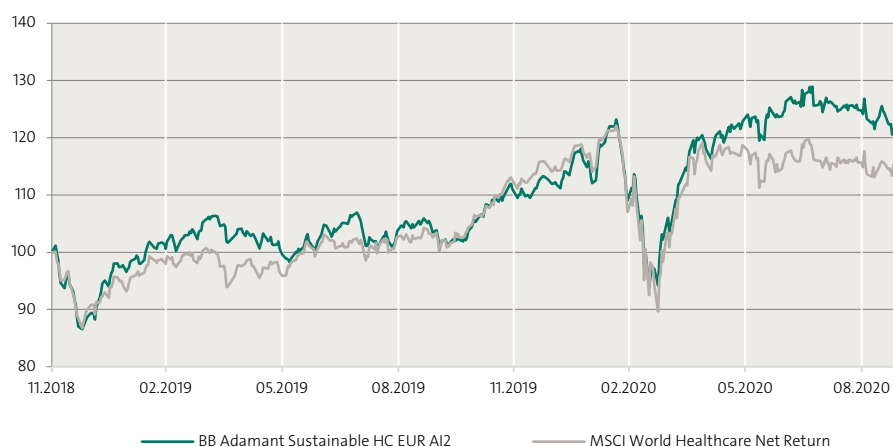
Beta	0.71
Correlation	0.86
Volatility	20.6%

Tracking Error	12.69
Active Share	82.5

Sharpe Ratio	1.41
Information Ratio	0.29
Jensen's Alpha	11.6

Source: Bellevue Asset Management, 30.09.2020;
Calculation over 1 year.

Indexed performance since launch



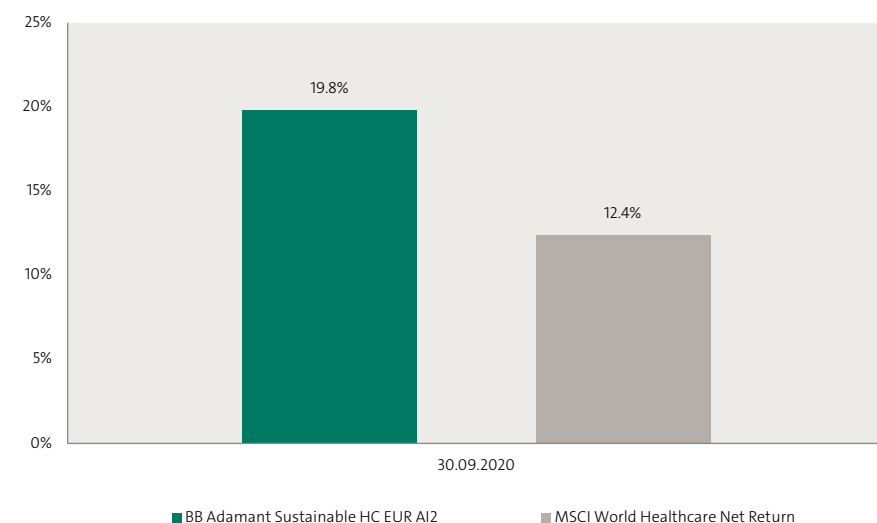
Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
AI2 EU	-1.7%	9.5%	19.8%	n.a.	n.a.	24.4%	19.8%	n.a.	n.a.	12.6%
BM	0.5%	1.8%	12.4%	n.a.	n.a.	16.2%	12.4%	n.a.	n.a.	8.5%

Annual performance

	2015	2016	2017	2018	2019	YTD
AI2 EUR	n.a.	n.a.	n.a.	n.a.	27.0%	9.5%
BM	n.a.	n.a.	n.a.	n.a.	25.7%	1.8%

Rolling 12-month-performance



Source: Bellevue Asset Management, 30.09.2020; all figures in EUR %, total return / BVI-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the subfund is denominated in a currency that may differ than an investor's base currency, changes in the rate of exchange may have an adverse effect on prices and incomes. Performance is shown net of fees and expenses for the relevant share class over the reference period. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares, if any. Individual costs are not taken into account and would have a negative impact on the performance. With an investment amount of EUR 1,000 over an investment period of five years, the investment result in the first year would be reduced by the front-end load of up to EUR 50 (5%) as well as by additional individual custody charges. In subsequent years, the investment result would also be reduced by the individual custody account costs incurred. The reference benchmark of this class is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to a subfund, thus the performance of a benchmark is not a reliable indicator of future performance of the subfund it is compared to. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

Top 10 positions

Intuitive Surgical		4.2%
GN Store Nord		3.6%
HCA Holdings		3.6%
Alexion Pharma.		3.5%
Davita		3.3%
Amplifon		3.3%
Genmab		3.2%
Wuxi Biologics		3.2%
Bristol-Myers		3.0%
Straumann		3.0%
Total top 10 positions		33.8%
Total positions		40

Sector breakdown

Medtech		27.4%
Services		26.7%
Biotechnology		19.1%
Generics		17.0%
Pharma		7.8%
Cash		2.0%

Geographic breakdown

United States		30.9%
China		17.6%
Denmark		13.6%
Japan		10.8%
South Korea		5.2%
Switzerland		4.9%
Italy		3.3%
Australia		2.7%
Sweden		2.7%
Jordan		2.5%
Great Britain		2.2%
New Zealand		1.6%
Cash		2.0%

Market commentary

Sentiment in global equity markets weakened across a broad front in September. The rise in pessimism was mainly driven by the slowing momentum of the economic recovery. The hope for fast rebound in the form of a “V” is increasingly turning out to be a slower and longer U-shaped recovery. According to the latest projections, it appears that China will be the only major economic power that will end 2020 with a positive rate of GDP growth. The surge in new COVID-19 cases combined with more restrictive measures to contain the virus outbreak gave investors more reasons to adopt a risk-off stance. Moreover, the heightened uncertainty surrounding the upcoming US presidential election kept markets on edge.

Amid all this tension, the broad world equity index MSCI World declined by about 3.5% in USD over the past month. Technology stocks, whose strong advances were reflected in parabolic curve patterns, experienced heavy selling. The defensive MSCI World Healthcare Index was not as weak as the general market, ending the month with a decline of about 1.4%. Some Western health companies have reported progress in developing corona therapeutics and vaccines. The BB Adamant Sustainable Healthcare Fund ended September with a negative return of 3.7% (USD / I shares).

The following stocks were performance drivers: Amplifon and GN Store Nord benefited from the faster-than-expected recovery of the hearing aid market, even though this positive commentary stemmed from Sonova (one of GN Store Nord's competitors); Swedish Orphan was marked up after publishing positive Phase I/IIA trial data for its hemophilia A therapy; and M3 shares advanced without any fundamental, market-relevant news. Hong Kong listed healthcare companies in particular made weak contributions to the funds's overall performance and explain the underperformance from a monthly perspective.

Investment process

The fund is based on BB Adamant's rule based investment approach, which has been successfully implemented since 2007 and is also reflected in the Adamant Global Healthcare Index. This index filters out about 600 stocks from a global pool of more than 4000 listed healthcare stocks. Another filter based on ESG ratings is then applied to this initial universe of 600 investable stocks. Companies are thus screened according to environmental, social and corporate governance criteria. In this analysis we rely on the long-standing expertise of our research partner Sustainability.

To qualify for a spot in the fund's portfolio, the companies must meet several ESG criteria: They must rank among the sustainability leaders in their industry (best-in-class approach), they cannot be involved in serious ESG-relevant controversies or in any controversial business activities, and they must comply with all 10 principles of the UN Global Compact. There are caps on the amount of sales a qualifying company can generate from controversial business activities and practices. After applying the ESG filter, about 40-50% of the stocks in the initial universe qualify for investment by the fund. The next step is a time-tested factor analysis based on four quantitative and four qualitative parameters. The objective here is to select companies that are inexpensive and generating fast growth and that have a robust competitive profile that will allow them to defend their leadership in years to come.

Ultimately a portfolio of 40 of the most sustainable companies in the healthcare industry, ten from each of the four regions (Western Europe, North America, Japan/Oceania and emerging markets), is constructed. The application of the eight factors has typically led to a focus on mid cap stocks and the underweighting of pharma stocks as well as the North America region relative to the MSCI World Healthcare Index. The composition of the portfolio is reviewed and rebalanced every six months.

Source: Bellevue Asset Management, 30.09.2020;

For illustrative purposes only. Holdings and allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. Where the subfund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income.

Risk and return profile

The aim of the fund is to achieve a good and competitive level of capital growth over the long term. It is especially suitable for investors who wish to focus on sustainability and have an investment horizon of at least five years. The fund exhibits the level of risk that is typical of equity investments.



This fund is assigned to category 6, as its share price fluctuates severely and both the risk of loss and the opportunities for profit can therefore be high. The calculation of the risk and earnings profile is based on simulated/historical data, which cannot be used as a reliable indication of the future risk profile. The classification of the fund may change in future and does not constitute a guarantee. Even a fund classed in category 1 does not constitute a completely risk-free investment. There can be no guarantee that a return will be achieved or that a substantial loss of capital will not be incurred. The overall risk exposure may have a strong impact on any return achieved by the fund or subfund. For further information please refer to the fund prospectus or KIID.

Liquidity risk

The fund may invest some of its assets in financial instruments that may in certain circumstances reach a relatively low level of liquidity, which can have an impact on the fund's liquidity.

Risk arising from the user of derivatives

The fund may conclude derivatives transactions. This increases opportunities, but also involves an increased risk of loss.

Currency risks

The fund may invest in assets denominated in a foreign currency. Changes in the rate of exchange may have an adverse effect on prices and incomes.

Operational risks and custody risks

The fund is subject to risks due to operational or human errors, which can arise at the investment company, the custodian bank, a custodian or other third parties.

Target market

The fund is suitable for retail and professional investors in Austria, Germany, Luxembourg, Spain and Switzerland.

Chances

- Investments in the 40 most attractive healthcare stocks worldwide with due account taken of current sustainability criteria.
- Many years of recognized bottom up expertise coupled with comprehensive sustainability research from Sustainalytics.
- The sustainability filter combines a best-in-class approach with the application of a strict exclusion procedure.
- Semi-active portfolio management: Half-yearly company evaluation and rebalancing.
- Underweighting of pharma and US stocks against the relevant healthcare indices, and a strong focus on mid caps.

You can find a detailed presentation of the risks faced by this fund in the "Special Investment Risks" section of the sales prospectus.

Inherent risks

- The fund invests in equities. Equities are subject to strong price fluctuations and so are also exposed to the risk of price losses.
- The fund may invest a proportion of its assets in financial instruments that might under certain circumstances have a relatively low level of liquidity, which can in turn affect the fund's liquidity.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- Investing in emerging markets entails the additional risk of political and social instability.
- The fund may engage in derivatives transactions. The increased opportunities gained come with an increased risk of losses.

Management Team



Zahide Donat

Portfolio Manager since inception of the fund

Joined Bellevue in 2015 as Portfolio Manager. Prior to joining Bellevue she spent two years at Credit Suisse as banking operations specialist in fixed income and from 2010 und 2013 as relationship manager at Migros Bank.



Dr. Cyrill Zimmermann

Portfolio Manager since inception of the fund

Joined Bellevue in 2015 as Head Healthcare Funds & Mandates and member of the Executive Board. From 2001 to 2014 he was CEO and co-founder of Adamant Biomedical Investment.



Samuel Stursberg

Portfolio Manager since inception of the fund

Joined Bellevue in 2015 as Head Research Healthcare Funds & Mandates. Prior to joining Bellevue he spent 7 years as Head Research at Adamant Biomedical Investments and 4 years as analyst in the healthcare sector at Sustainable AM.

Signatory of:



Important information

This marketing communication relates to Bellevue Funds (Lux) (hereinafter the “Fund”), an investment company with variable capital “société à capital variable” (SICAV) under the current version of the Law of the Grand Duchy of Luxembourg of 10 August 1915 on commercial companies (“Law of 1915”) and is authorized under Part I of the Law of 17 December 2010 relating to undertakings for collective investment (“Law of 2010”) as an undertaking for collective investment (UCITS). BB Adamant Sustainable Healthcare is a subfund of Bellevue Funds (Lux).

This marketing communication is issued by Bellevue Asset Management AG, which is an authorized asset manager subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA) and acts as an Investment Manager of the Fund. The Prospectus, statutes, the annual and half-yearly report, the share prices and further information about the Fund can be obtained free of charge in English and German from the management company of the Fund, Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, from the representative, paying, facilities and information agents mentioned below or online at www.bellevue.ch. The Key Investor Information documents are available free of charge in the languages of the countries of distribution (German for Germany, Austria and Switzerland, Spanish in Spain and English and German in Luxembourg) at www.fundinfo.com.

This document is neither directed to, nor intended for distribution or use by, any person or entity who is a citizen or resident of any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. It is particularly not intended for US persons, as defined under Regulation S of the U.S. Securities Act of 1933, as amended. The information and data presented in this document are not to be considered as an offer to buy, sell or subscribe to any securities or financial instruments. The information, opinions and estimates contained in this document reflect a judgment at the original date of release and are subject to change without notice. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient and in particular tax treatment depends on individual circumstances and may be subject to change.

This document is not to be relied upon in substitution for the exercise of independent judgment. Before making any investment decision, investors are recommended to ascertain if this investment is suitable for them in the light of their financial knowledge and experience, investment goals and financial situation, or to obtain specific advice from an industry professional. The details and opinions contained in this document are not to be considered as recommendation or investment advice. Every investment involves risk, especially with regard to fluctuations in value and return, and investors’ capital may be at risk. If the currency of a financial product is different from your reference currency, the return can increase or decrease as a result of currency fluctuations. Past performance is no indicator for the current or future performance. The performance data are calculated without taking account of commissions and costs that result from subscriptions and redemptions. Commissions and costs have a negative impact on performance. For more information about the associated costs, please refer to the related costs and fees section of the prospectus. Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or universe of the subfund. The performance of a benchmark shall not be indicative of past or future performance of the sub-fund. Financial transactions should only be undertaken after having carefully studied the current valid prospectus and are only valid on the basis of the latest version of the prospectus and available annual and half-yearly reports. Please take note of the risk factors.

Countries of distribution and local representatives

The Bellevue Funds (Lux) is registered and admitted for public distribution in Austria, Germany, Luxembourg, Spain and Switzerland.

Austria

Paying and information agent: ERSTE BANK der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna

Germany

Information agent: ACOLIN Europe GmbH, Reichenaustrasse 11a-c, D-78467 Konstanz

Spain

Representative: atl Capital, Calle de Montalbán 9, ES-28014 Madrid - CNMV under the number 938

Switzerland

The Bellevue Funds (Lux) SICAV is registered for public offering and distribution in Switzerland with the Swiss Financial Market Supervisory Authority.

Representative agent in Switzerland: ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich

Paying agent in Switzerland: DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, P.O. Box, CH-8022 Zürich

You can obtain the sales prospectus, Key Investor Information Document (“KIID”), statutes and the current annual and half-yearly reports, the current share prices and further information about the fund free of charge in German from the management company Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, the representative agent in Switzerland or online at www.bellevue.ch.

In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative agent.

Copyright©2020 Bellevue Asset Management, Inc. All rights reserved.

Citywire information is proprietary and confidential to Citywire Financial Publishers Ltd (“Citywire”), may not be copied and Citywire excludes any liability arising out its use.

The most important terms are explained in the glossary at www.bellevue.ch/en/glossary