

# Global EcoTrends

2nd Quarter, 2010

## Investment Strategy Objective

The RCM Global EcoTrends strategy invests in the shares of international companies that directly or indirectly have exposure to, or otherwise derive benefits from, the areas of "eco energy" (alternative energy sources and energy efficiency), "pollution control" (environmental quality, waste management and recycling) and "clean water" (e.g. water treatment and supply).

## RCM Philosophy

Based on the belief that by generating and exploiting an information advantage we seek to drive superior and consistent investment results for the benefit of our clients - a philosophy we call RCM informed. This perspective enables us to identify what we believe are winning companies with high-quality franchises. Our investment professionals, working in a team-orientated meritocracy, focus on constructing portfolios offering attractive risk-adjusted returns.

## Investment Approach

The Global EcoTrends philosophy recognises that the environment is increasingly having a significant impact on businesses and financial markets. Population growth and industrialisation are putting a strain on limited resources such as fossil fuels, precious metals and fresh water. Historically high oil prices have heightened interest in alternative sources of energy. Similarly, a tightening regulatory environment around the world is forcing companies in all markets to commit more resources to clean business practices. The Global EcoTrends strategy recognises that these global trends will likely last for generations, and companies working on solutions appear to be benefiting already.

## Investment Rationale

- Identifying companies falling within the following three environmental technology sectors that are broadly defined and seen to be growing rapidly: EcoEnergy, Pollution Control, and Clean Water.
- Great emphasis on fundamental, proprietary research in order to identify sector leading companies.

## The RCM Advantage

- Global investment infrastructure.
- Innovative proprietary research platform generating bottom-up stock selection:
  - Over 60 sector-based fundamental analysts.
  - Grassroots® Research with a network of circa 300 independent journalists and field force researchers, with over 50,000 industry contacts\*\*
  - Dedicated in-house specialists with 36 years combined experience in the industry.
- A boutique culture offering dedicated business professionals engaging with clients proactively and dynamically.

\*AuM includes subadvisory assets.

\*\* Grassroots® Research is a division of RCM. Research data, used by Grassroots® Research to generate recommendations, are received from reporters and field force investigators who work as independent contractors for broker-dealers.

\*\*\* Strategy is managed on a team basis, with a lead and deputy Portfolio Manager named for accountability.

## Product Profile

Product Assets:	GBP 1,043 million*
Years Managed:	4
Benchmark:	FTSE ET50
Responsible Portfolio Manager:	Vipin Ahuja
Structure:	OEIC; Luxembourg domiciled SICAV; also available as a segregated strategy.

## Key Investment Professionals\*\*\*



**Vipin Ahuja, CFA**  
Lead Portfolio Manager  
Senior analyst, Special Situations and Theme Funds  
Joined Firm: 2009  
Investment Career Began: 1997



**Andreas Fruschi**  
Deputy Portfolio Manager  
Analyst, Special Situations and Theme Funds  
Joined Firm: 2005  
Investment Career Began: 2005



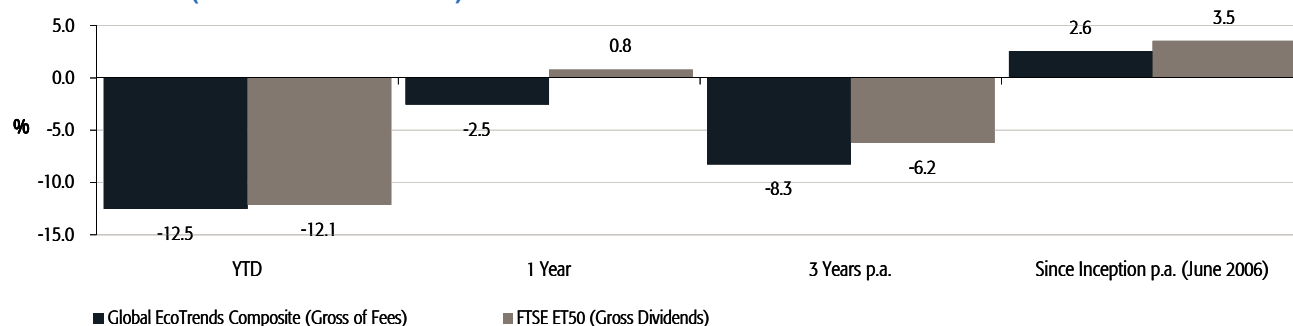
**James Britland**  
Analyst, Special Situations and Theme Funds  
Joined Firm: 2008  
Investment Career Began: 2006



**Bozena Jankowska**  
Global Head of Sustainability Research  
Joined Firm: 2009  
Investment Career Began: 1997

# Global EcoTrends, 2nd Quarter, 2010

## Performance (Gross of Fees in GBP)



Source: RCM, as at 30 June 2010, GBP

## Representative Account

### Characteristics

Beta	0.99
P/E (Next 12 Months)	15.2x
Earnings Growth (Next 3-5 Years)	20.5%
P/E (Next 12 Months) to Growth	0.74x
Weighted Average Market Cap	GBP 4.6 billion
Number of Holdings	55

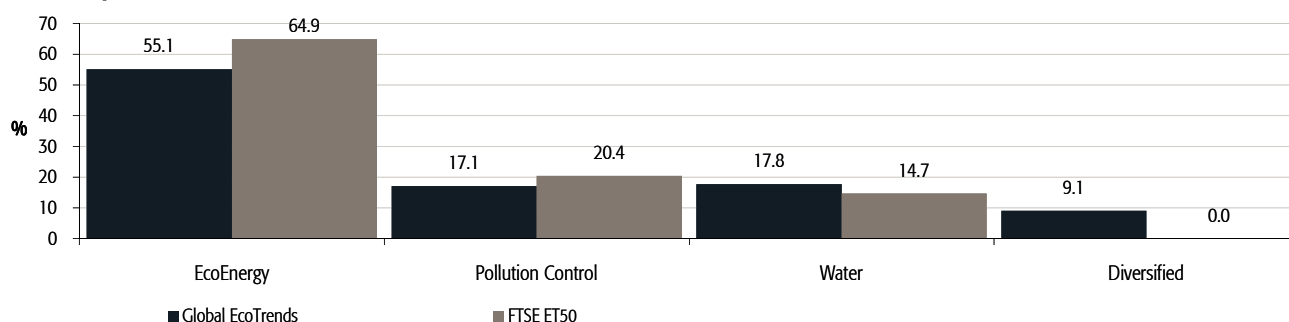
Source: RCM, as at 30 June 2010

### Top Ten Holdings

Vestas Wind Systems A/S	7.6%
Novozymes A/S Class B	5.9%
Cree Inc	4.0%
Gamesa Corp Tecnologica SA	3.6%
First Solar Inc	3.3%
Nalco Holding Co	3.2%
Kurita Water Industries Ltd	2.9%
Aixtron AG	2.8%
Itron Inc	2.7%
SMA Solar Technology AG	2.6%

Source: RCM, as at 30 June 2010

### Sector Composition (% of Portfolio and Benchmark)



Source: RCM, as at 30 June 2010

Past performance is not a reliable indicator of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

RCM (UK) Ltd (RCM) is an asset management subsidiary of Allianz Global Investors and is a registered investment manager specialising in qualitative, bottom-up, fundamental-based investment management. The Global EcoTrends Composite strategy includes all fee-generating, discretionary equity portfolios managed by RCM UK for which RCM UK has discretion to invest in equities in the global Eco Energy, Pollution Control and Clean Water sectors. RCM claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of RCM's composites and/or a presentation that adheres to the GIPS® standards, please call +44 (0) 20 78 59 90 00, or write to RCM (UK) Ltd, 155 Bishopsgate, London EC2M 3AD.

The Representative Account information is for illustrative purposes only. Portfolio holdings are subject to change without notice and should not be considered a recommendation to purchase or sell individual securities. The information is for the sole use of the addressee, who it is believed are professional clients as defined by the Financial Services Authority.

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