

KARNER BLUE CAPITAL ANIMAL WELFARE GLOBAL STRATEGY

PORTFOLIO FACT SHEET
AS OF FEBRUARY 1, 2019

Why invest in the Animal Welfare Global Strategy?

This strategy focuses on global companies with solid environmental, social, and governance profiles that are strong performers with respect to animal welfare based on Karner Blue Capital's proprietary research and competitive analysis. The strategy provides investment exposure to publicly-traded companies that are working constructively across a wide range of industries to address issues that impact the quality of life of animals and the biodiversity of our planet. The strategy provides an opportunity to seek long-term growth of capital and dividend income while investing in companies that are working to embrace animal welfare as a critical factor in their operations, supply chains, and R&D practices.

Investment Management Firm:

Karner Blue Capital, LLC

Portfolio Type: Separately
Managed Equity Accounts

Average Market Capitalization:

Approximately \$61 Billion

Portfolio Distribution:

Top 10 Holdings- 13.3%

Top 20 Holdings- 24.1%

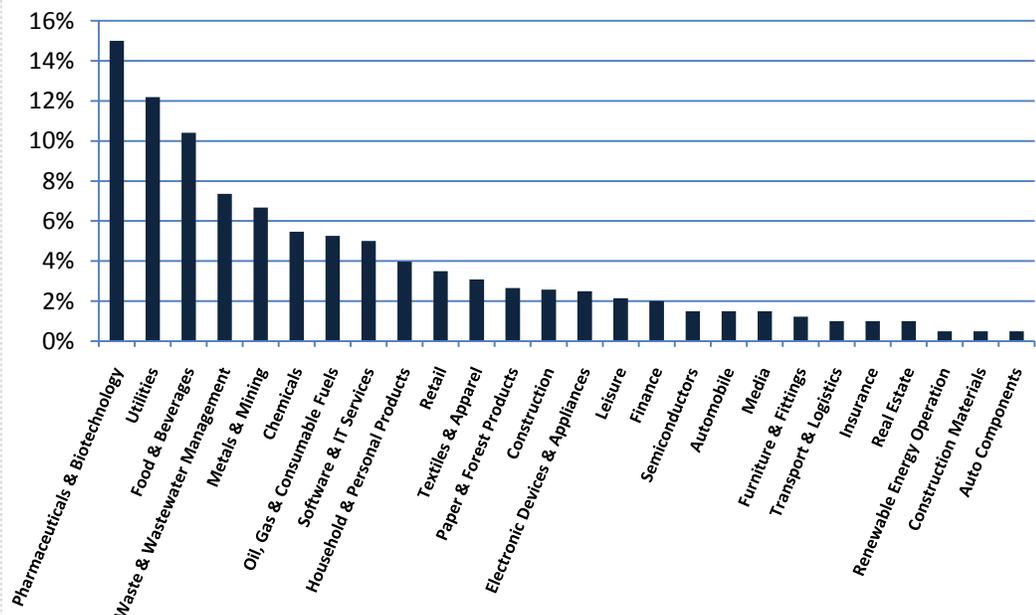
Top 40 Holdings- 43.8%

All 133 Holdings- 100%

Website:

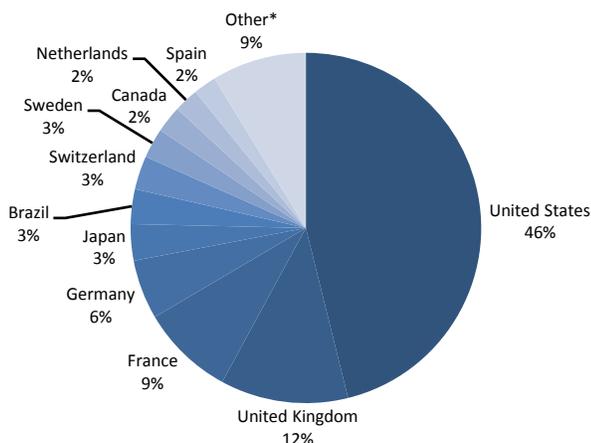
<https://www.karnerbluecapital.com/>

Animal Welfare Global Strategy Allocation by Industry Segment

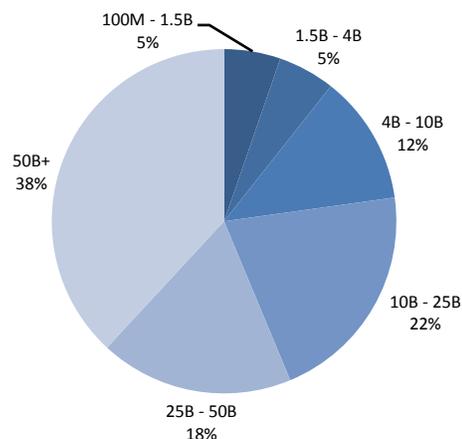


PORTFOLIO CHARACTERISTICS

By Country



By Market Capitalization (USD)



* Countries with less than 2%: Italy- 1.7%, Denmark-1.6%, Norway-1.6%, Ireland- 1.0%, Finland-0.8%, Chile-0.6%, South Africa-0.6%, Colombia-0.4%, Hong Kong-0.4%

TOP FIVE PORTFOLIO HOLDINGS

COMPANY	INDUSTRY	ALLOCATION	HIGHLIGHT
BASF SE	Chemicals	1.63%	The LuSens test, developed by BASF, is an <i>in vitro</i> test to detect the sensitization potential of chemicals to human skin. The test was developed to be license free and shared with the scientific community at-large. It has recently been incorporated into the Organization for Economic Co-operation and Development (OECD) Test Guideline Program.
Unilever PLC	Food & Beverages	1.56%	Unilever was placed in Tier II (the second highest tier) in the Business Benchmark for Farm Animal Welfare (BBFAW) 2017 Report. Unilever is also one of the founding members of the Roundtable on Sustainable Palm Oil (RSPO) and the Round Table on Responsible Soy (RTRS). Unilever has extensive policies for suppliers regarding the transportation of livestock, such as maximum transportation time, the maintenance of journey records and certification requirements.
Danone SA	Food & Beverages	1.45%	Danone has established detailed guidelines for the appropriate handling, transportation, sourcing, housing, and feeding of animals. The company also currently sources 100% of its egg products from cage free systems.
Hennes & Mauritz AB	Textiles & Apparel	1.30%	H&M has been a fur-free producer of textiles and apparel for over 70 years and has further banned the use of exotic skins, material derived from endangered species, and angora wool. The company has set aggressive commitments to increase traceability in its product sourcing pipeline, including full adherence to the Responsible Wool Standard and the Responsible Down Standard.
GlaxoSmithKline PLC	Pharmaceuticals & Biotechnology	1.24%	GlaxoSmithKline PLC maintains a wide-ranging policy regarding animals and the treatment of animals within company-owned and company-contracted laboratories. The company is highly transparent with respect to its use of research animals and provides detailed reporting by species, quantity, and primary use. Veterinarians are onsite 24 hours a day to provide care throughout the lives of these research animals. The company employs non-animal testing whenever possible, consistently applies the 3Rs to replace, reduce, or refine animal research, and has eliminated testing of non-medicinal products on animals unless there is a specific legal requirement to do so. Over the years, GlaxoSmithKline PLC has steadily reduced the number of animals used in its operations.

DISCLOSURES

The information presented in this Fact Sheet is for educational purposes only and does not constitute general or personal investment advice or an offer to buy or sell any security or a solicitation of an offer to buy or sell any security. There is no assurance that a separate account managed according to any thematic strategy will achieve its investment objective. Investment in a thematic strategy involves risk, including the possible loss of principal invested. An investor should consider the investment objectives, risks, charges and expenses of the applicable thematic strategy carefully before investing. Past performance is not indicative of future performance. Additional information about Karner Blue Capital, LLC and its thematic investment strategies is included in the Firm Brochure (Part 2A to Form ADV), which is available upon request.

You could lose money on an investment in any thematic strategy, or the applicable thematic strategy could underperform, for the following reasons: (a) the market prices of stocks held in the thematic strategy may fall, (b) the stocks held in the thematic strategy, which are selected based on non-financial factors, may not perform as expected, (c) the management practices used by Karner Blue Capital, LLC in connection with the thematic strategy may not achieve the desired result, and (d) the allocation of assets among various market cap sectors and geographical regions may cause the thematic strategy to underperform. In addition, large cap companies may be unable to respond quickly to new competitive challenges, such as changes in technology, and also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion. Prices of micro-, small- and mid-cap stocks can be more volatile than those of larger, more established companies. Micro-, small- and mid-cap companies are more likely to have more limited product lines, fewer capital resources, and less depth of management than larger companies. Investing in the American Depositary Receipts of foreign companies involves additional risks related to political, social, and economic developments abroad, differences between the regulations that apply to U.S. and foreign issuers and markets, the potential for reduced liquidity and increased volatility, and exposure to currency fluctuations because they represent an interest in securities that are not denominated in U.S. dollars. The risks of investing in emerging market securities are greater than those of investing in securities of developed foreign countries. These risks include volatile currency exchange rates, periods of high inflation, increased risk of default, greater social, economic, and political uncertainty and instability, less governmental supervision and regulation of securities markets, weaker auditing and financial reporting standards, lack of market liquidity, and the significantly smaller market capitalizations of many emerging market issuers.

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Brokerage services provided to clients of Karner Blue Capital, LLC are provided by Folio Investments, Inc., an SEC registered broker-dealer and member FINRA/SIPC. Folio Investments, Inc. is unaffiliated with Karner Blue Capital, LLC.

The investment strategies managed by Karner Blue Capital, LLC are not mutual funds. They are separately managed account (SMA) portfolios.

Not FDIC Insured • No Bank Guarantee • May Lose Value