PRIVATE FUNDING FOR FOOD SECURITY, THE INVESTMENT SHARING FACILITY

AGRO-BIODIVERSITY TO FEED OUR CHANGING WORLD

• The world needs to produce 50% more food by 2050 to feed a growing population, but climate chaos is challenging farmers like never before, especially in lower-income countries. Adapting our crops for a changing world has never been more important. To do this, plant breeders need to use the full biodiversity of crops - shaped by nature and by hundreds of generations of farmers.

• Crop collections around the world hold more than two million unique types of crops. For breeders these are the fundamental toolkit for developing resilient new varieties to beat climate extremes, pests, diseases and land degradation. For farmers, and for humanity’s food supply, they are the ultimate insurance policy.

INVESTMENT IN THE FOUNDATIONS OF FARMING

• The United Nations’ proposed Sustainable Development Goals recognize protection of global crop diversity as a prerequisite for ending world hunger. Now, in an innovative partnership, the Crop Trust and Deutsche Asset & Wealth Management, a member of Deutsche Bank Group, will invite private investors to be a part of the greatest challenge of our age: securing, improving and climate-proofing the global food supply.

• The Investment Sharing Facility is a simple yet first-of-its-kind capital market innovation. The ISF would consist of a mutual fund managed by Deutsche Asset & Wealth Management that invests responsibly in world equities. While investors capture the opportunities in international equity markets and hold on to their fund shares, they are donating their annual income distributions – mostly stock dividends – to the Crop Trust to safeguard global crop diversity.

• The ISF could offer investors shares in a mutual fund investing in global equities, CROCI World ESG, which makes investment decisions in compliance with strict criteria relating to environmental, social and governance (ESG) standards and in accordance with the United Nations Principles for Responsible Investment.

A DOUBLE HARVEST

• By using dividends from investments to conserve agriculture’s foundations, the ISF achieves what we call “double harvest” investing: finance that powers a socially and environmentally responsible economy today, as well as a secure tomorrow for the world’s farmers.

• The international collections funded by the Crop Trust are the backbone of the global system for conserving, sharing and using crop diversity. They operate under the International Treaty on Plant Genetic Resources for Food and Agriculture, which ensures that collections of global relevance are accessible to everyone.

• Operating these specialized facilities, distributing their material, and maintaining their collections costs about USD 20 million per year. It is absolutely essential that this funding remains stable and reliable, or else the seeds of the future can be lost for good. The Crop Trust exists to conserve these agricultural treasures forever.

A NEW FRONTIER IN FUNDING FOOD SECURITY

• As of the Summer of 2015, the ISF will open a new frontier in financing the global effort to achieve future food security. This challenge is not only the responsibility of governments: such a historic task requires support from everyone, and the ISF is a win-win, “double harvest” solution for private investors to give this support.

• The product will be available to individuals and institutional investors in the European Union. Further investor jurisdictions may be added in the future.

• Investors will retain most of the expected performance of the fund. The Crop Trust will enjoy an annual income stream from the dividend income which it will use to fund crop diversity conservation and use.
HOW THE INVESTMENT SHARING FACILITY WORKS

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