

July 2018



Alfred Lang

COO & CFO

Dr Yasin Rosowsky

Ouantitative Research

Dr Michael Legatt

Behavioural Research

Dr Tim Verheyden

ESG Research & Advisory



### Staff

Brace Young

Head of US

Dr Qasim Nasar-Ullah

Ouantitative Research



Omar Selim CEO



Gabriel Karageorgiou

Business Development

Andreas Feiner

Co-CIO. Head of

ESG Research & Advisory

Philipp Müller ESG Research & Advisory



Ciaran McCale Head of Media and Communication



Jessica Eistrand Consultant for Nordic Region



Dr Hans-Robert Arndt

Co-CIO, Head of

Ouantitative Research

Dominic Godman

Head of Singapore

Michael Oberdörfer Relationship Management



Dr Dominic Selwood

General Counsel & CCO

Haliza Abd Rahim

Legal Counsel

Stéphan Vuylsteke ESG Research & Advisory



Maria Mähl **Business Development** 



Tanyarat Rilinger



Business Development

Matthias Baetens

Jan Vermeulen ESG Research

Grea Woods

Fundamental Research

Jennifer Djaferis

Client Services

ESG Research



25 professionals from ٠

13 nations

Flat hierarchy of three ٠

levels



Leonie Cheminais Ouantitative Research

### A company greater than the sum of its parts



### Board



Georg Kell Founder, United Nations Global Compact

Non-Executive Chairman

- Founder and former Executive
  Director of the UN Global Compact
- Principles for Responsible
  Investment (PRI)
- Principles for Responsible
   Management Education (PRME)
- Sustainable Stock Exchanges (SSE)
   initiative



Barbara J. Krumsiek Senior Industry Fellow, Georgetown University

#### Non-Executive Director

- Senior Industry Fellow, Georgetown University Women's Leadership Institute
- President & CEO, Calvert
  Investments, 1997 2014
- Co-Chair of the U.N. Environment
   Programme Finance Initiative, 2010
   2012
- Columbia University Business
   School's Botwinick Prize in Business
   Ethics in 2012



John Ruggie Berthold Beitz Professor, Harvard Kennedy School

Non-Executive Director

- Berthold Beitz Professor in Human Rights and International Affairs at the Harvard Kennedy School of Government
- Affiliated Professor in International Legal Studies at Harvard Law School
- Special Representative for Business and Human Rights under the UN administration 2005 – 2011



Dr. Carolyn Woo CEO & Founder, Catholic Relief Services Non-Executive Director

- President's Fellow for Global
   Development, Purdue University
- President and CEO of Catholic Relief Services, 2011 – 2016
- Served as dean of University of Notre Dame's Mendoza College of Business
- 1<sup>st</sup> female dean to chair accreditation body for business schools, AACSB: Association to Advance Collegiate Schools of Business



Yolanda Kakabadse President, WWF International

> Non-Executive Director

- Former President of WWF International
- Executive Director of Fundación Natura in Quito, 1979 - 1990
- President of the World
   Conservation Union (IUCN)
- Minister of Environment for the Republic of Ecuador



### Advisory Board



Prof Robert Bauer Director, ECCE, Maastricht University



Prof Gordon Clark Prof Tensie Whelan Clinical Professor of Business Director, SSEE, Oxford University and Society, NYU



Prof. Alexander Bassen Full Professor. University of Hamburg



Emma Hunt Former Co-Head, Hermes Equity Ownership



Mohamed Donia CEO, IdealRatings



Director.

SCAL

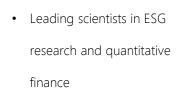
Prof Michael Griebel Prof David Tuckett Director. Centre for the Study of Fraunhofer Institute Decision-Making Uncertainty, UCL



Dr. Philipp Aeby CEO, RepRisk



Dr. Gregor Leban CEO, Event Registry



CEOs from leading service ٠

providers

Industry leaders and renowned academics advise Arabesque



### Arabesque Setup



Arabesque Partners

- Transparency and strong regulation
- Registered onshore in the UK and Germany
- Overseen by the FCA in the UK (lead regulator)
- Follows BaFin regulations in Germany
- Registered with the SEC as a Registered Investment Adviser (RIA) in the USA
- Financial affairs are transparent and fully taxed in UK and Germany

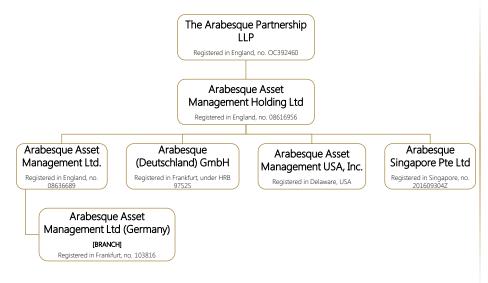
Institutionally transparent

- No offshore entities
- No aggressive tax
  - management
- Full legal and financial

accountability



### Structure

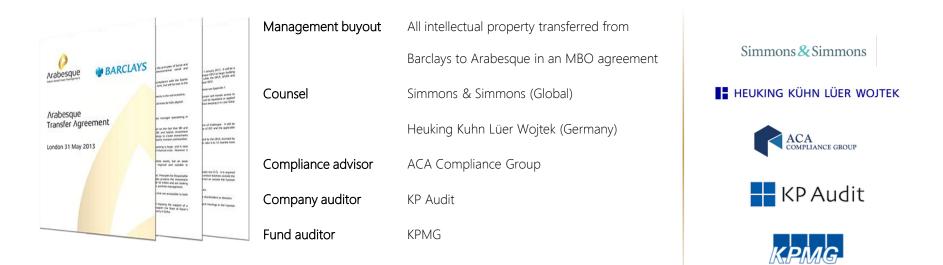


- The Arabesque Partnership LLP holds the partners' interests
- Arabesque Asset Management Holding Ltd is the group holding company
- Arabesque Asset Management Ltd is the UK FCA regulated asset management company
- Arabesque Asset Management Ltd (Germany) is the German, FCA regulated, branch, supervised by the BaFin
- Arabesque (Deutschland) GmbH is the home of Arabesque S-Ray® and ESG research.
- Arabesque Singapore PTE Ltd is the Singapore registered company
- Arabesque Asset Management Ltd is registered with the SEC as a Registered Investment Advisor (RIA)

### Simplicity and accountability



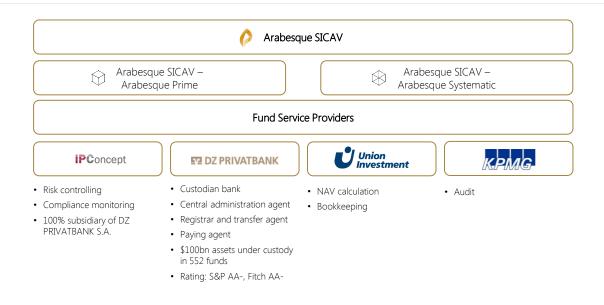




### Strong legal and compliance culture



### Fund Structure



- Luxembourg UCITS V structure
- Institutional and retail share classes
- Daily liquidity and NAV

### Proven investor protection

Investment Process



### A Global Equity Universe



Strong emphasis on data quality

Internal 'Data Fingerprint' verification is applied to ensure data integrity

No. of Equities (circa)

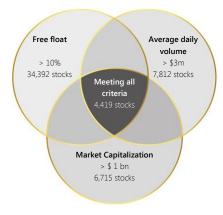
//,UUU Global Universe
2,900 Arabesque Universe
330 Arabesque Prime

Arabesque Systematic

We analyze all listed stocks



### Portfolio Liquidity



The best strategy is worthless if it cannot be executed owing to liquidity constraints

Liquidity maintains a healthy and agile portfolio, and minimizes transaction costs

Minimum requirements on size, free float, and daily volume

% of Total Market Cap

76 % Average Market Cap

USD 13.2 BN

Compliant

### Focus on large and liquid stocks



S-Ray® Analysis



Monitor, daily, the sustainability performance of over 4,000 of the world's largest corporations.

Look beneath a company's surface by assessing its extra financial performance through machine learning and Big Data.

Systematically combine over 200 environmental, social and governance (ESG) metrics with news signals from over 50,000 sources across 15 languages.

Global Compact Score Normative bevavior

ESG Score Relative, material, performance

Preference Filter Personal values

Quantifying sustainability



### S-Ray® - Global Compact Performance



Georg Kell Former Executive Director, United Nations Global Compact

The UN has established the largest corporate responsibility initiative in the world.

A normative assessment of each company based on the core principles of the United Nations Global Compact.

We exclude companies that:

- are in violation of any of the UNGC principles and,
- the bottom 5% of companies according to their S-Ray® GC Score

#### Principles



Anti-Corruption





### We respect the UNGC principles



### S-Ray® - ESG Performance

#### ESG Materiality Matrix

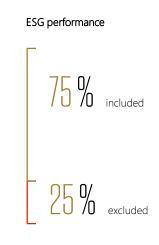
				rnover	Financials	Energy	Mining	Health	
			United Sta	ates	0.02	0.01	0.02	0.01	
			Germar	y I	0.17	0.16	0.16	0.15	
		ith & S	afety	Financial	s Energy	Mining	Health		
[	Uni	ted St	ates	0.08	0.06	0.20	0.06		
	G	ierma	ny	0.09	0.06	0.20	0.07		
Ressour	ce Efficie	ency	Financia	s Energy	Mining	Health			
Unit	ed States	5	0.01	0.07	0.20	0.01			
Ge	Germany United Kingdom Belgium		0.00	0.06	0.18	0.01			
United			0.00	0.07	0.17	0.01			
Be			0.00	0.06	0.18	0.01			
Swi	tzerland		0.00	0.06	0.18	0.01			
F	rance		0.00	0.07	0.18	0.01			
A	ustralia		0.01	0.08	0.18	0.01			
Japan		0.00		0.18	0.01				
(	China		0.01	0.08	0.18	0.01	- [		
C	anada		0.00	0.06	0.18	0.01			

Identification of financially material ESG factors by sector

Calculation of a proprietary ESG score per stock

Best in class screening to select the top 75% stocks within an industry

ESG momentum screening may however include companies from the bottom 25% if ESG scores increase over previous periods



### Reducing portfolio risk and enhancing performance



### S-Ray® - Preference Filter

#### Stock: LVMH



We analyze the nature of a company's revenue generating operations and balance sheet.

We exclude companies significantly involved in activities such as the production of weapons, tobacco, or gambling

Enabling the investor to construct a bespoke eligible investment universe with the required characteristics



### Implementing investors' preferences



### Arabesque Universe

A large, global, diversified, portfolio of liquid equities

Segregated investment universe for Arabesque Prime and Arabesque Systematic

Transparent to investors



Performance since Inception

(Backtested, as of end July 2017)

125 —

120

**Country Segmentation** CHE . USA DEU FRA HKG AUS CAN GBR JPN





# C. 2,900 companies

Rebalancing

Quarterly

Monitoring

Note: As of June 30th 2017. Based on number of companies.

Outperformance powered by sustainability



### F & G Score and Earnings Pressure

Review of Accesaning Studies, 10, 133-170, 2003 © 2005 Springer Science + Business Media, Inc., Manufactured in The Netherlands Separating Winners from Losers among Low Book-to-Market Stocks using Financial Statement Analysis PARTHA S. MOHANRAM Columbus Business Scient, 605-A Univ Ball, J Journal of Accessibility Research Vol. 39: Supplement 2000 Print in U.S.A. Abstract. This paper combines traditional fa tailored for growth fixes, such as carning Value Investing: The Use of Historical Financial Keywoole capital markets, market efficiency, f Statement Information to Separate Winners from Losers JEL Classification: G12, G14, Mill This paper examines whether applyin earn excess returns on a broad sample The BM effect is well documented it JOSEPH D. PIOTROSKI ith Fama and French (1997) asc with Fama and French (1992) northy Lakonishok, Shliefer and Vishny (19 Financial statement analysis (or fi post winners from losers on the basis not correctly impounded in prices, analysis of return on assets (ROA) : s whether a simple acce profit margin, coupled with an analy vency. Piotroski (2009) argues that s BM (value) firms which are often ig that financial statement analysis eff onship between the sign of the in-\*University of Chicago, I would Sike to thank Mark Brad-haw, Peter Joon, Stowe Mon, San, an autommous referee, and workshop participants as the 2000 Jaccod of Annotali Humo-A Conference for their coastern rule suggestions. Analyst forecast data was go

#### F - Score

Identifies strong balance sheets and cash flows

#### G - Score

Identifies firms showing continued growth and increasing earnings

#### Earnings Pressure

Utilizes behavioral patterns of sell-side research analysts

F - Score
Cash flow from operations
Return on assets
Long-term debt
Gross profit margin
Current sales

G - Score
R&D
Capital expenditure
Cash flow
Earnings per share
Advertising expenses

### Unconstrained bottom-up fundamental stock screening



### Five Sub-Strategies

Apply G-Score, F-Score and, Earnings Pressure

Five sub-strategies:

- Value
- Growth
- GARP

Arabesque Partners

- Dividend Growth
- High Dividend Yield

Number of stocks



FX exposure

Portfolio rebalancing

Quarterly

### Rules-based integration of G-Score, F-Score and Earnings Pressure

Strategy Definitions

Growth Strate Scien #1 Scien #2 Scien #3

GARP Strategy Screen #1 Screen #2 Screen #3 Screen #4

Value Strateg Screen #1 Screen #2 Screen #3 Screen #4

High Yield Strategy Screen #1 Screen #2 Screen #3 Screen #4



### Arabesque Prime\*

The Fund							Latest Returns In USI and has a print to							
	Asbergue 1						1.04		-	_	_			nais:
		ENY VANS	with a so			nin.	100					6		111
	robed at all the			C. 300 th	cks selec	têd				-			1115	
	Nite Arabesp And s fundar						10%					1.11		
	R has manilos			A MARCHAR	treiny ()	in -	2.75							
Kan	open and was		Acabese		2 derb	fies		0.07%	0.80%					
stocks that are likely to generate stable cathflows and growth with a high likelihood of reporting finance semining magnets. • The Arabicogue Prima Gargae stiPU is an investment universe of c. 1.000 equality that are highly diversified across countries														
- ot c		s that are h				95					4 🔳 21199			
- At)			installity Fe	rocess.		0	mulative	Perform	ance Sir	ce incep	cion i			
<ul> <li></li></ul>	Aniberitsie codure using		ty Proce		Wei-ba	140								
- 303	Artist from war											a 140	0.0	
- 203	moder (bec	s as well a			e steet o			1			1	VW A	A. A.	11
		streamly.	20.000	0.10.10		57 I I	5 1	M	15	AQ.	all'	Vw		7
· The	Araberous P		OCTS N	complian	otars d	aly 1	10 F		8	VK	TV	•		- 1
head he	idity and his r						3		V					
Renchr		ALSO MEC		AN - Arata 1 John 194			az							
							20	1.1	2.1	st.	9.9	3.3	2 30	£ .
	ty of hand	055					27.00		U ACMID		202.1	9 P		
	cy of share da	IS USD					adoas							
ISN		1010	2999(8))			-	0			-				
ISN BOOM	arg .	LUU					~	N	A	4.1		M	W.	٨
ISN Hoord Miretts		LUU	54,75 (X) 52333					N	A	19.	APT	Mr	WY.	AF
GN Boord Mirems Marang	an inestmon	LUU APAT C LED	54,55 (X 50333 5 p a				- Y	Y	P	M	APT	Mr	M.M	W
SN Boord Mirens Mersep Perform Manape	sang am investmen ernent fives mance fixes ernent compet	LDDD ADA LDDD USD USD Hore when (110)	54,5 (X 52333 6 p.k 6 p.k					Y	P	N	AP	M	A.A	W
SIN Hoord Miremu Mariag Partorn Mariage Castock	oang um insestimen ement hvos nance foos ement compet tan bee	1.000 APA1 0.324 Hore 10.007 0.007	MUSIX MISIX Coa Loa Loa			- end	- Y	Y	p	M	APT	Ma	A.A	W
GN Hoord Mirens Mirens Perform Honope Custock Adverse	seng am investimen enrent fixes mante foes enrent comper tan bee utranan fee	1.000 ABA 0.324 Hore 9 fee 0.101 0.009 0.029	MUSICA NEDDO Sipa Kipa Kipa			- manual distance		2	P	M	AP	Ma	4rg	W
SIN Hoord Mirens Mirens Partom Usrage Costock fabrens Esse d	seng am investmen ement fives manie fives amant compan- lan lee draman hee absoncement	1.000 ABA 0.022 Home 0.027 Norm 0.027 0.027 0.027 0.027	MASIX NOM Spa Spa Spa Spa Spa			-		1	P	M	APT	Ma	WY.	Y
SIN Bloomt Minens Mines Partom Usnage Costock Administration Date of Other 1	ang an investmen ement fives mante fives innen compan- lati lee draman lee abannemen ted party fives	1.000 AAAA 1.022 Hore 1.029 0.029 0.029 0.029 0.029 0.029 0.029 0.029 0.029	MASIX NEDD Color Los Los Los Los Los Los					n de	20	19		Mr.	WY.	V
SIN Hoord Mirens Mirens Partom Usroep Costock Admin Esse d' Other 1 Applica	ang an investmen ement fives name fees innan compa- lation tabonement ted party fees eson of incom	1.000 AAAA 1.022 Hore 1.029 0.029 0.029 0.029 0.029 0.029 0.029 0.029 0.029	MASIX NEDD Color Los Los Los Los Los Los					1	20	19			WV.	
SIN Hoord Mirens Mirens Partom Usroep Costock Admin Esse d' Other 1 Applica	ang an investmen ement fives name fees innan compa- lation tabonement ted party fees eson of incom	1.000 AAAA 1.022 Hore 1.029 0.029 0.029 0.029 0.029 0.029 0.029 0.029 0.029	MASIX NEDD Color Los Los Los Los Los Los		vit			P	20		ter.		17/11/14	2010
SIN Bloomt Minens Mines Partom Usnage Costock Administration Date of Other 1	ang an investmen ement fives name fees innan compa- lation tabonement ted party fees eson of incom	12010 ABA 0.324 Fisces 9 Rev (1107 0.005 0.005 0.025 0.025 0.025 0.025 0.025 0.025 0.025	MUS (X 1933) Spa Spa Spa Spa Spa Spa	tg				P	20		ter.	al in pairs	17/11/14	1000
SIN Horms Minime Manage Perform Using Costool Takrons Date of Other 3 Applic of Key Sta	sergi am investment ement fixes innan i compar- tation fixe atraction fixe atraction fixe atraction fixe party fixes etitibilititi	1000 A000 8 USD 0.324 0.324 0.324 0.324 0.325 8 0.000 6 0.000 8 44-25 8 80% 0.325	44,5 (X 19300) 5 p.k 5 p	tp 178 176	V11		25. 45. 45. 45. 45. 45. 45. 45. 45. 45. 28. 5. 45. 28. 5. 45. 45. 45. 45. 45. 45. 45. 45. 45.	P	gi gi in	- 11	ter.	al in pairs	17/11/14	10.67
SIN Hoorik Minema Menage Perform Useral Costock Admon Date d Other 3 Applica Key Sta	sergi am investment ement fixes innan i compar- tation fixe atraction fixe atraction fixe atraction fixe party fixes etitibilititi	1000 ADM 0 1000 0 200 0 000 0 000 0 000 0 000 0 000 0 000	44,5 (X 19300) 5 p.a 5 p.a 5 p.a 5 p.a 5 p.a 5 p.a 5 p.a 6 p.a 6 p.a 6 p.a 6 p.a 6 p.a 6 p.a 6 p.a 6 p.a 6 p.a 7 p.a 6 p.a 7 p	tp 178 176	v11: 3.60		25 45 45 45 45 45 45 45 45 45 45 45 45 45	P	ge de	- 11	ter.	al in pairs	17/11/14	2112
SIN Bloomt Minemu Minemu Minemu Minemu Date di Other 3 Apple of General Apple of General Mine Mine Mine Mine Mine Mine Mine Mine	sergi am investment ement fixes innan i compar- tation fixe atraction fixe atraction fixe atraction fixe party fixes etitibilititi	1000 A000 8 USD 0.324 0.324 0.324 0.324 0.325 8 0.000 6 0.000 8 44-25 8 80% 0.325	44,5 (X 19300) 5 p.k 5 p	tp 178 176	V11		25. 45. 45. 45. 45. 45. 45. 45. 45. 45. 28. 5. 45. 28. 5. 45. 45. 45. 45. 45. 45. 45. 45. 45.	P	ge de	- 11	- her	al in pairs	oran bas	10.60 10.55
SIN Bloomt Minemu Minemu Minemu Minemu Date di Other 3 Apple of General Apple of General Mine Mine Mine Mine Mine Mine Mine Mine	ang ennet five name five name five statum to be statum distance field party five cost of to co distance	1000 ADA 0.022 Hore 9 New 0100 0.007 0.007 0.009 0.00000000	MUS (X 12000) Cpa 524 Cpa 524 Cpa 525 Coa 608 0099 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.	10 80% 82%	912 3.55 9.31	5	25 Y 45 4 46 4 46 4 46 4 46 4 46 4 46 4 46 4	P _P _	2 2 30 7000 8000	ACMI	ter Vili	el in part	oran bas	10.67 10.57
SIN Bloomt Minemu Minemu Minemu Minemu Date di Other 3 Apple of General Apple of General Mine Mine Mine Mine Mine Mine Mine Mine	ang ennet five name five name five statum to be statum distance field party five cost of to co distance	1000 A000 8 USD 0.324 0.324 0.324 0.324 0.324 0.325 0.024 0.024 0.025 0.025 0.025 0.025 0.025	44,5 (X 19300) 5 p.k 5 p	tp 178 176	V11		25. 45. 45. 45. 45. 45. 45. 45. 45. 45. 28. 5. 45. 28. 5. 45. 45. 45. 45. 45. 45. 45. 45. 45.	P	ge de	- 11	- her	el in 144 ( Alby (p.a.)	of the second	20100 10.67 10.55 20055
SIN Bloomt Minemu Minemu Minemu Minemu Date di Other 3 Apple of General Apple of General Mine Mine Mine Mine Mine Mine Mine Mine	ang an interference free an interference free and free an	1000 4007 1000 1000 1000 1000 1000 1000	MUS (X 12030) C 5 A 1 C 5 A 1 C 5 A 1 C 5 A 1 C 5 C 5 C 5 C 5 C 5 C 5 C 5 C 5 C 5 C	10 878 876 07%	viti: 3.667 3.555 0.111 Apr 1.46 3.952	s s May	25 Y 45 4 45 4 45 4 45 4 45 4 45 4 45 4 4	P _P _	2 2 30 7000 8000	ACMI	ter Vili	el in part	of the second	10.60 10.60 10.55 10.55
SN thornk the second t	ang an interference free an interference free and free an	1000 ADA1 1000 1000 1000 1000 1000 1000	MUS (X 19333) C p.a C p.	10 10% 12% 00% Mar -E.24	vit: 3.55 0.11 Apr 144	5 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	25. 4 45. 4 45. 4 45. 4 45. 4 45. 4 5. 256 2. 255 2. 255 1. 405 1. 405 1	P P P	2 d 11 11 11 11 11 11 11 11 11 11 11 11 11	ACMI Seg	via Via	ad on pair of dilling (p. a.) dilling (p. a.) dilling (p. a.)	Cher	**************************************
SN thorne thorne SN thorne SN three SN	ang an interface energi long anato foes mano foes anaton foes anaton to party foes etain of anoto dostors and anaton to party foes and anaton biological anaton ana	1000 4000 1000 1000 1000 1000 1000 1000	MUS (X 19333 Cola Cola Cola Cola Cola Cola Cola Cola	10 176 176 176 174 134 131	viti: 3.667 3.555 0.117 Apr 1.46 3.952	0 5 6 5 <u>May</u> -024 -130	25. Y 45. 45. 45. 45. 45. 45. 45. 45. 45. 45.	P 2 P	242 242	40301 540 -297	0 10 10 10 10 10 10 10 10 10 10 10 10 10	ad on pairs dilling (p. a.) no 1000 series New 2.7%	Chen and Chen and Chen	21007 1007 1009 2009 2009 2009 2009 2009 2009 2009
SN thornk the second t	ang an investmen energi tengan an investmen energi tengan an bes statumen ke statumen ke statumen ke statumen ke statumen tengan statum teng statum teng statum teng statum teng statum	1000 4000 1000 1000 1000 1000 1000 1000	MUS (X 19333 Cola Cola Cola Cola Cola Cola Cola Cola	10 176 176 176 174 134 131	viti: 3.667 3.555 0.117 Apr 1.46 3.952	0 5 6 5 <u>May</u> -024 -130	25. Y 45. 45. 45. 45. 45. 45. 45. 45. 45. 45.	P 2 P	2.62 2.62 2.62 2.62	40ml 540 -2.97 -3.34	6.72 6.30	ad on pairs alling ga at the top over New 2.7% 2.67	1.56 (1.56 (1.56 (1.56)	10.67 10.67 10.55 10.55 10.55 10.55 10.55 10.55 10.5 10.
SN thorne thorne SN thorne SN three SN	ang an interface energi long anato foes mano foes anaton foes anaton to party foes etain of anoto dostors and anaton to party foes and anaton biological anaton ana	1000 4000 1000 1000 1000 1000 1000 1000	MUS (X 19333 Cola Cola Cola Cola Cola Cola Cola Cola	10 176 176 176 174 134	viti: 3.667 3.555 0.117 Apr 1.46 3.952	0 5 6 5 <u>May</u> -024 -130	25. Y 45. 45. 45. 45. 45. 45. 45. 45. 45. 45.	P 2 P	242 242	40301 540 -297	0 10 10 10 10 10 10 10 10 10 10 10 10 10	ad on pairs dilling (p. a.) no 1000 series New 2.7%	Chen and Chen and Chen	10.0 10.0 10.9 10.9 10.9 10.9 10.9 10.9

Alizove Refuce	Frima Tanjat Postski 🔹	16CL40(0.07	Footie Contributors	Agative Core	0.600		100	#3d	armenia Distrib	National State (St	(ang)	Post
10%	0.0		Pottolo	-		-						Ferfor
AN	and when	MA	+4.77%				43					59
JYW		VV	Benchmark 0.0%			_	90					Averag
0.0%			+4.56%	_	~	-	42					+21 3
30%			10.0%				22	_			-	Averag
1-68-15 1-68-15 1-66-15											B	
			+0.21%					1646				-12.9
Sector	Contribution	Weight	Top Positions	Perf	Contrib		High Yield	DGS	GARP	Growth	Value	
1 Retail Trade 2 Technology Services	1.46%	12.9%	1 CSR Limited 2 Texas Instruments Incorporated	-10.8%	-0.14%	13%	0.7%	0.3%		0.3%	0.5%	
2 Sectinology Services 3 Consumer Durables	Norables         1.02%         4.0%           Kon-Durables         0.77%         7.3%           nology         0.63%         7.0%           -0.17%         0.5%         0.5%		2 Texas Instruments Incorporated 3 Cracker Barrel Old Country Store, Inc.	18.9%	0.12%	13% 13% 12%	0.7%	0.2%		0.3%	0.1%	
4 Consumer Non-Durables			4 Ross Stores, Inc.		0.12%					0.6%	0.47	
5 Health Technology			5 Dialog Serviconductor pic 29,2% 0,2%			11%	10.00		01004% (C.3%)			
15 Finance			6 Sherwin-Wilkams Company	2.3%	0.00%	11%		0.6%	_	0.5%		
16 Energy Minerals			7 Foot Locker, Inc.		0.24%	11%		0.6%	0.1%		0.2%	
17 Non-Energy Minerals	-0.30%	1.4%	8 Apple Inc.	3.1%	0.00%	11%		0.4%	0.6%	0.1%		
18 Transportation	-0.30%	5.7%	9 Telstra Corporation Limited	-4.5%	-0.03%	1.0%	0.7%					
19 Electronic Technology	-0.45%	13.7%	10 Mondi pic	36.5%	0.22%	10%	0.5%				0.5%	
Country	Contribution	Weight	Top/Bottom Performers	Perf	Contrib	Weight	High Yield	DGS	GARP	Growth	Value	
1 United States	1.98%	44.7%	1 Kose Corporation	105.9%	0.03%	0.3%		0.1%		0.1%		-
2 United Kingdom	1.44%	8.7%	2 Toho Holdings Co., Ltd.	76.6%	0.07%	0.0%						
3 Japan	0.93%	11.5%	3 (Sreggs plc	72.1%	0.14%	0.5%	0.3%			0.2%		
4 Denmark	0.46%	2.0%	4 Columbia Sportswear Company	67,3%	0,07%	0.0%						
§ Germany	0.41%	3.3%	5 Interface, Inc.	66.4%	0.01%	10.1%		0.1%				
24 Malaysia	-0.16%	0.9%	433 Great Wall Wotor Co., 1nd. Class H	-39.6%	-0.05%	0.0%						
25 Hong Kong	-0.16%	2.1%	434 Kumba Iron Ore Limited	-53.1%	-0.06%	0.1%			0.1%			
26 Australia	-0.26%	4.4%	435 Inotera Memories, Inc.	-58.5%	-0.07%	0.0%						
27 Indonesia	-0.27% 15%		436 DHO ASA Class A -59.6%						0.1%			
28 Taiwan, Province of China	-0.39%	1.9%	437 Century Aluminum Company	-60.9%	-0.04%	0.0%						
FX Contrib Coy vs. USD	Contribution	Weight	Top/Bottom Contributors	Perf	Contrib	Weight	High Yield	DGS	GARP	Growth	Value	
1 GBP 3.8%	0.31%	8.7%	1 Pandora A/S	63.8%	0.44%	0.7%			0.7%			20
2 7WD 0.1%	0.01%	1.9%	2 Dialog Semiconductor plc	29,2%	0.26%	1.1%		_	0.1%	0.3%		
3 704 -18%	0.00%	0.4%	3 Foot Locker, Inc.	33.9%	0.24%	11%		0.6%	0.1%	0.1%	0.2%	
4 USD 0.0%	0.00%	46.8%	4 Howden Joinery Group PLC	25.8%	0.23%	0.5%		0.3%	0.2%	0.3%		
5 HKD 0.0%	0.00%	2.1%	5 Mondi pic	36.5%	0.22%	1.0%	0.5%		_	_	0.5%	-
	-0.11%	12%	433 Yexas Instruments Incorporated	-6.0%	-0.14%	1.3%	0.7%	0.3%		0.3%	0.5%	
16 CHF -3 8%				-10.8%	-0.14%	1.3%						
17 Z4R -4.6%	-0.14%	1.0%	484 CSR Limited						11000		0.5%	
	-0.14% -0.16% -0.26%	1.0%	434 CSR Limited 435 Southwett Antines Co. 436 Alliance Resource Partners 1 P	-10.0%	-0.16%	0.3%	0.18	0.4%	0.2%	0.2%	0.5%	

#### Total Return since inception (as of 29/06/2018, net of fees)

## +6.86% p.a.

#### Morningstar Comparison

(as of 29/06/2018, net of fees, compared to the EAA OE Global Large-Cap Blend Equity Peer group)

## fop 20%

#### Morningstar Rating™

(three-year rating as of 31/05/2018, among 3,227 funds within the Global Large-Cap Blend Equity category.)

\*) The fundamental investment technology was implemented in Arabesque Prime with effect from 1 February 2015. From August 2014 to 31 January 2015, it tracked the performance of Arabesque Universe.

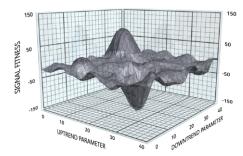
### Combining values and performance

© 2017 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Morningstar Rating is for the Arabesque SICAV - Arabesque Prime (USD) share class only; other classes may have different performance characteristics.



### Quantitative Assessment of Individual Stocks

Momentum Landscape per Single Stock



Based on a systematic quantitative approach to capture behavioural biases in the market

1,600 signals are analyzed per equity to determine its individual strength and overall market momentum

The calculated strength indicator is a key ingredient for the builtin risk management system Number of technical indicators

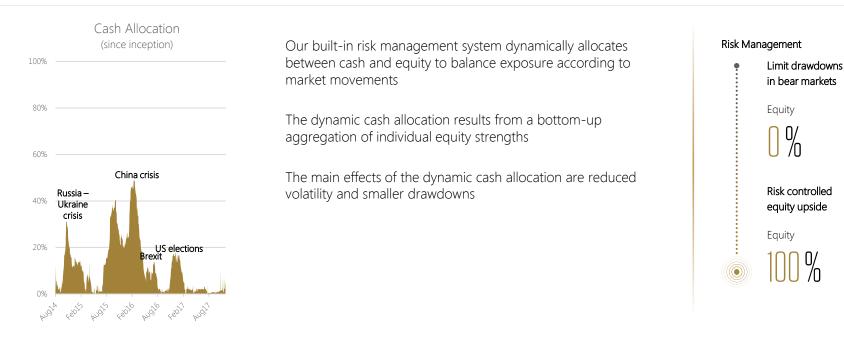
**Recalibration Frequency** 

Monthly

### Self-calibrating system to measure stock momentum



### Identifying Optimal Equity Risk Exposure



Average market trend determines allocation between cash and equity



### Stock Selection

#### Portfolio as of 10/04/2015

MG	BWY	CLS	HWDN	PSN	SIG	GIL	PNDORA	BIIB	SKX
DOL	NTC	BVT	MANH	SHW	FPH	SSNC	COLM	SNA	HPOL.B
JACK	FL	EW	ULTA	FIE	CVS	FISV	CNR	AAPL	ASSA.B
NTCT	JKHY	DLX	MCHP	CTAS	PPG	G	INFN	TSCO	SAP
TTC	GL9	BR	ROST	MMS	LUV	CMPR	LOW	TYL	SNPS
KFY	HNI	ULTI	BNZL	KNX	IPXL	5108	AZO	3407	ALGT
GIVN	4503	6869	4922	ASM	SN	7936	4452	GIB.A	LSTR
NOVN	PAYX	6448	CSL	LANC	4536	6645	UTDI	STE	HD
JHX	ROG	IDXX	SWI	UA	GILD	6849	ABF	MCK	LB
GPS	CFP	BCR	DSV	WFT	9843	Cash	Cash	Cash	Cash

Our system aims to find the best combination of equities that offer an expected superior risk adjusted return

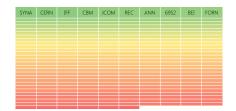
The portfolio optimization selects upward-trending stocks with strong fundamental measures (G-Score, F-Score, and Earnings Pressure)

To limit the turnover (expected at 2.2x NAV p.a.), potential portfolio improvements have to exceed the trading costs



### Stock selection is driven by single asset and portfolio properties

#### Remaining Stocks from Arabesque Universe





### Arabesque Systematic



Arabesque Systematic is a long only global equity fund built on quantitative systems capturing market trends

Arabesque Systematic integrates sustainability with momentum analysis and advanced risk management techniques to limit maximum drawdowns and deliver superior performance

Arabesque Systematic is monitored on a daily basis

Total Return since inception (as of 29/06/2018, net of fees)

+9.38% p.a.

Morningstar Comparison

(as of 29/06/2018, net of fees, compared to the EAA OE USD Flexible Allocation peer group)

Top 5 %

Morningstar Rating™

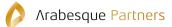
(three-year rating as of 31/05/2018, among 239 funds within the USD Flexible Allocation category.)



### A systematic framework that delivers strong performance

© 2017 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar, (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Morningstar Rating is for the Arabescue SLCAV - Arabescue SLCAV -

#### Disclaimer



Arabesque Partners is the trading name of Arabesque Asset Management Ltd (together with its affiliates, "Arabesque"), a limited liability company registered in England and Wales at 43 Grosvenor Street, W1K 3HL (no. 8636689), authorized and regulated by the FCA (no. 610729), and registered as a registered investment adviser with the SEC (#801-107600). It also operates though its German branch, Arabesque Asset Management Ltd (Germany), a company registered at Zeppelinallee 15, 60325 Frankfurt am Main, Germany in the commercial register of the local court in Frankfurt am Main (no. HRB 103816), and supervised by the BaFin (ID: 144965). This document is provided on a confidential basis by Arabesque in its capacity as fund manager, and is for information purposes only, and is not a solicitation or an offer to buy any security or instrument or to participate in any trading. for those persons who meet the qualifications to be investors in any fund (a "Fund") managed by Arabesque. NOT AN OFFER. This document does not constitute an offer to sell or solicitation to purchase any shares in any Fund to any person, and shall not be construed as a recommendation or advice on the merits of investing in the Fund. Prior to any purchase of an interest or shares in the Fund. investors should reference the Fund's confidential offering memorandum (the "Sales Prospectus"), the key investor information documents, and the subscription documents (all of which are available free of charge by contacting the Registrar and Transfer Agent at 4, rue Thomas Edison, L-1445 Luxembourg-Strassen, Grand Duchy of Luxembourg or by contacting the relevant local agent of the Fund in their jurisdiction, if applicable), which together contain all the material terms of such an investment, including discussions of certain specific risk factors, conflicts of interest, tax considerations, fees, and other matters relevant to prospective investors in the Fund. All information stated herein is subject to and expressly qualified in all respect by the Sales Prospectus and key investor information documents. Swiss investors can obtain these documents from the Representative in Switzerland; IPConcept (Switzerland) AG, In Gassen 6, Postfach, CH-8022 Zurich, or from the Paving Agent in Switzerland; DZ PRIVATBANK (Switzerland) AG, Münsterhof 12, CH-8022 Zürich. The jurisdiction for Swiss investors is the office of the Representative in Zurich. FORWARD LOOKING STATEMENTS. Certain information contained herein constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof, or other variations thereon, or comparable terminology. Owing to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. CALCULATIONS. Cumulative and annualized returns are shown. Cumulative returns represent the amount, including all interest or dividends and capital gains received on an investment over a period, usually expressed as a percentage of the amount invested. Annualized returns represent the increase in value of an investment, expressed as a percentage per year. Returns for less than one year have not been annualized. THIRD PARTY INFORMATION. Certain information contained in this document has been obtained from sources outside Arabesque. While such information is believed to be reliable for the purposes used herein, no representations are made as to the accuracy or completeness thereof and none of Arabesoue its affiliates or any Fund takes any responsibility for such information. BACKTESTS. The backtesting of performance differs from actual account performance because an investment strategy may be adjusted at any time. for any reason, and can continue to be changed until desired or better performance results are achieved. The backtested results assume ordinary income and capital gains distributions are reinvested, periodic rebalancing, and no income taxes. INDEXES. There may be significant differences between the Fund's investments and the indexes referenced herein. For instance, the Fund may use leverage and invest in securities that have a greater degree of risk and volatility, as well as less liquidity, than those securities contained in such indexes. Fund investors may also be subject to a lock-up which further limits the Fund investor's liquidity, relative to an investment in one or more of the securities comprising any index. It should not be assumed that the Fund will invest (or has invested) in any specific investments that comprise any index. nor should it be understood to mean that there is a correlation between the Fund's returns and the returns of any index. Past performance of the Fund relative to any index should not be indicative of future performance relative to that index. The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets and consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes. The developed market country indexes included are: Australia, Australia, Australia, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. The emerging market country indexes included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malavsia, Mexico, Peru, Philippines, Poland, Oatar, Russia, South Africa, Taiwan, Thailand, Turkey, and the United Arab Emirates. PERFORMANCE. To the extent this document includes information related to performance, it is intended to provide a qualitative description of certain of the key investment themes, events, and developments that contributed to the overall performance of the Fund, along with a picture of the overall exposure of the Fund. examples are meant to provide insight with respect to each investment and, to the extent applicable, the Fund's objectives and the investment processes and analyses used to evaluate such investments. Other investments, themes, events, developments, and/or other factors not described herein may have had (and continue to have) a significant impact on the Fund's overall performance. RISK FACTORS. Individuals. The information contained herein does not take into account the particular investment objectives or financial circumstances of any specific person who may receive it. Timing. The performance figures noted above are for investments made at the inception of the Fund and include the reinvestment of dividends, interest, and other earnings. An individual investor's actual returns may differ from the results shown above for reasons such as the timing of subscriptions and redemptions. The numbers shown above are not adjusted to reflect any capital inflows or outflows that may have occurred on or after the last day of the month. Results for the current year are subject to revision upon the year-end audit. Past performance. Past performance is not necessarily indicative of future results. Any prior investment results of the Fund or any of its affiliates and any hypothetical information are presented in this document for illustrative purposes only and are not indicative of the future results of the Fund. Anticipated Performance. Actual investment performance could differ materially from the Fund's anticipated results. Conditions. Economic. market. and other conditions could cause the Fund to alter its investment objectives, auidelines, and restrictions. It should not be assumed that the Fund will continue to invest in any of the investments described herein or that such investments will be available in the future. Degree. An investment in the Fund may be illiquid and involve a high degree of risk. Investments should be considered only by investors who can withstand the loss of all or a substantial part of their investments. Profitability. It should not be assumed any investments described herein will ultimately be profitable. No guarantees. No assurance, guarantee, or representation is made that the Fund's investment programs, including, without limitation, the Fund's investment objectives, profits, diversification strategies, or risk monitoring goals will be achieved or successful, or that substantial losses will not be incurred, or that the assumptions regarding future events and situations will materialize or prove correct. Variation. Investment results may vary substantially over time. Risk level. Nothing herein is intended to imply that the Fund's investment methodology may be considered "conservative", "safe", "risk free", or "risk averse". RELIANCE. Neither Arabesgue nor any Fund makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein should be relied upon as a promise or representation as to past or future performance of the Fund or any other entity. REGULATIONS. The Fund will only be distributed and shares will only be offered or placed in jurisdictions to the extent that it may be lawfully distributed and the shares may be lawfully offered or placed in those jurisdictions (including at the initiative of the investor). It is the responsibility of investors and prospective investors to enquire about the laws and regulations that apply to the purchase and possession of shares in the Fund and consult their own counsel, accountant, or investment adviser in this respect. The Fund is distributed in the EEA pursuant to a passport facilitated under the Directive on undertakings for collective investment in transferable securities (UCITS) no. 2009/65/EC dated 13 July 2009 (UCITS Directive) and more globally on a private placement basis in accordance with all applicable laws and regulations. EEA. This document is intended for professional investors only, as defined by European Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (MIFID) investing for their own account and not for retail distribution. The Fund complies with the requirements of the UCITS Directive. The Fund has been passported in the European Economic Area for sale pursuant to the procedure set out in the UCITS Directive. UK. Investors in the United Kinadom should note that this document is being issued in the United Kinodom by Arabesoue Asset Management Ltd and is exempt from the scheme promotion restriction (in Section 238 of the Financial Services and Markets Act 2000) on the communication of invitations or inducements to engage in investment activity on the grounds that it is being issued by an authorised person and issued to and/or directed only at persons who are professional clients or eligible counterparties for the purposes of the FCA's Conduct of Business Sourcebook. U.S. The Fund is intended to be offered to U.S. investors pursuant to "private offering" exemptions from registration contained in Regulation 506 under the Securities Act of 1933 and Section 3(c)(7) of the Investment Company Act of 1940. CONFIDENTIALITY. This document contains highly confidential information regarding Arabesque's investments, strategy, and organization. Your acceptance of this document constitutes your agreement to keep confidential all the information contained in this document, as well as any information derived by you from the information contained in this document and not disclose any such information to any other person. ENOURIES. Investors should direct any enguiries they may have in respect of this document to Arabesgue Asset Management Ltd, 43 Grosvenor Street, W1K 3HL, London, United Kingdom.

