



Portfolio Commentary

Arabesque Prime returned +2.15% for the month (including 28 April), compared to +2.06% for the MSCI All Country World Index.

The strongest sub-strategies in May were 'Growth' and 'Dividend Growth'. 'GARP' and 'Value' were the weakest performers over the month. On a sector level, Electronic Technology and Technology Services had the highest positive contribution, while Retail Trade and Producer Manufacturing were the weakest. On a relative basis, the fund's sector allocation contribution was positive over the month, mainly due to the underweight of Energy and Financials. The fund's selection effects fell out negative over the month, with the positive effects in the Technology, Healthcare, and Real Estate sectors offset by negative selection effects in Consumer Cyclical, Consumer Defensive and Basic Materials sectors.

The fund has returned +16.13% since inception, an outperformance of 8 basis points.

Sustainable and Quantitative

Arabesque follows a quantitative investment approach that integrates sustainability data with financial analysis.

Arabesque Prime is a global equity fund that uniquely combines sustainability information with a sophisticated fundamental stock selection process. The fund's sustainable equity universe consists of approximately 3,000 individual stocks that passed a rules-based screening process. The portfolio of approximately 250 – 300 stocks identifies companies with stable cash flows and strong growth prospects.

In addition, the estimates of equity analysts are analyzed to select stocks that have a high likelihood of reporting future earnings surprises.

Prices

Date	01.06.2017
Currency	USD
Bid/Ask Price	114.83/114.83
Distribution Date	24.03.2017
Distribution Amount	0.40

Conditions

Minimum Investment	USD 50,000
Management Fees	0.32% p.a.
Performance Fees	None
Other 3rd Party Fees	0.27% p.a.
Profit	Distributing
TER*	0.98%

Monthly Performance

(USD, net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014								2.82%	-2.99%	0.72%	1.76%	-1.56%	0.64%
2015	-0.73%	6.07%	-1.24%	1.46%	-0.24%	-2.30%	0.80%	-5.89%	-2.89%	6.57%	0.19%	-2.09%	-0.97%
2016	-6.11%	-0.83%	6.92%	-0.48%	1.75%	-1.05%	4.90%	-0.81%	0.39%	-3.56%	1.86%	1.65%	4.02%
2017	1.92%	2.01%	2.20%	3.20%	2.15%								12.03%

Risk Indicators

(USD, net of fees)

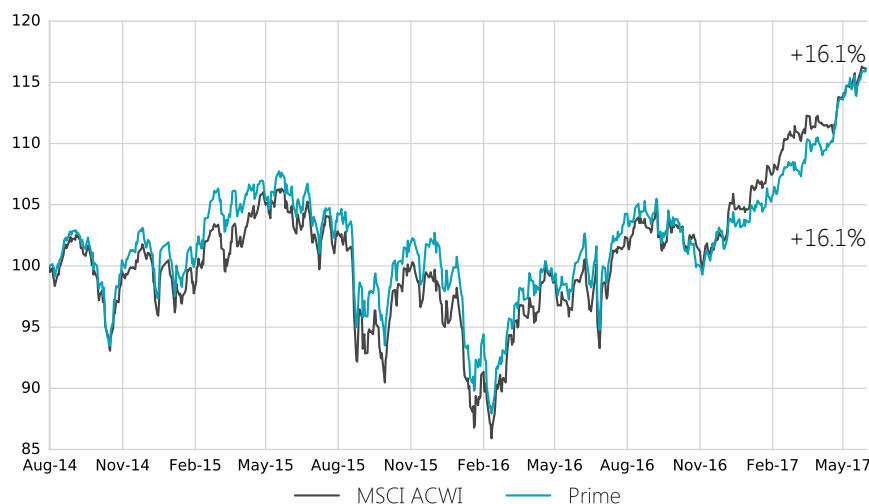
	Return (p.a.)	Last 12 Months	Volatility (p.a.)	Sharpe Ratio	Max Drawdown
Fund	5.42%	15.61%	10.68%	0.45	-18.36%
Index	5.40%	17.53%	11.19%	0.43	-19.20%

Awards



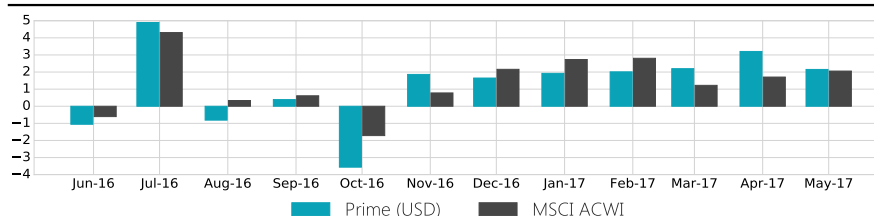
Performance since Inception

(USD, net of fees, Source: Union Investment Financial Services and MSCI)



Last 12m Performance (%)

(USD, net of fees, Source: Union Investment Financial Services and MSCI)



General Information

ISIN	LU1023699801	Inception Date	01.08.2014
WKN	A1XCPP	Management Company	IPConcept (Luxemburg) S.A.
Bloomberg	ARAPMUS LX	Custodian Bank	DZ Privatbank S.A.
Fund Structure	SICAV	Fiscal Year	01.01. - 31.12.
Investment Focus	Sustainable, Global Equities	Long Term	MSCI AC World Index NR
		Benchmark	



Investment Process

- The Arabesque sustainable equity universe has approximately 3,000 stocks screened via a multi-stage selection process based on Arabesque S-Ray™
- Arabesque S-Ray™ is designed to streamline vast amounts of ESG data, and can be used in three unique ways to evaluate companies: (1) GC Score: an assessment of each company based on the normative principles of the United Nations Global Compact. (2) ESG Score: a sector specific analysis of each company's performance on material ESG issues. (3) Preferences Filter: an optional process to examine business involvements against individual investor values.
- From the Arabesque sustainable equity universe, a quantitative investment model selects equities that have stable cashflows and growth, with high likelihood of reporting future earnings surprises.
- The fund does not use derivatives, leverage nor shorting.

Opportunities

- Potential of high risk-adjusted returns.
- Exposure to stocks that have been screened for their Environmental and Social impact as well as their Governance practices.

Risks

- Exposure to market-related price fluctuations and losses.
- Exchange rate risks in the equity and cash holdings.
- The value of the fund shares may fall below the price at which the investor acquired the shares.

About Arabesque

- Arabesque was founded in June 2013 and is authorised and regulated by the Financial Conduct Authority (FCA).
- The majority of Arabesque is owned by its founders and employees.
- Arabesque Management and Advisory Boards are composed by global leaders in the field of sustainable investing and quantitative finance.
- By combining sophisticated and systematic investment processes with values of the UN Global Compact and the Principles of Responsible Investment (PRI), Arabesque aims to make sustainable investing financially attractive.

Top-10-Holdings

% of Total Assets

NVIDIA Corporation	1.8%	Dollarama Inc.	1.2%
Daito Trust Construction	1.6%	Texas Instruments	1.2%
Big Lots, Inc.	1.6%	Compagnie Generale des	1.2%
Valmet Corp	1.3%	Husqvarna AB Class B	1.1%
KLA-Tencor Corporation	1.3%	Itochu Techno-Solutions	1.1%

Market Capitalization

% of Total Equities

Large Cap (> \$15bn)	31.0%
Mid Cap (\$2.5bn – \$15bn)	51.6%
Small Cap (< \$2.5bn)	17.4%



Country Allocation

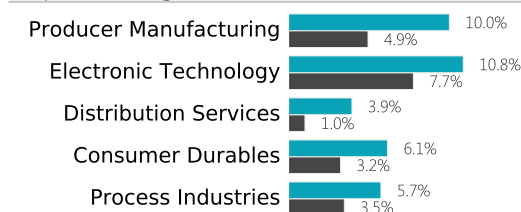
% of Total Assets

United States	46.6%	Sweden	2.5%
Japan	10.4%	Finland	2.4%
United Kingdom	8.8%	France	2.2%
Australia	2.7%	Germany	2.0%
Canada	2.6%	Italy	1.9%

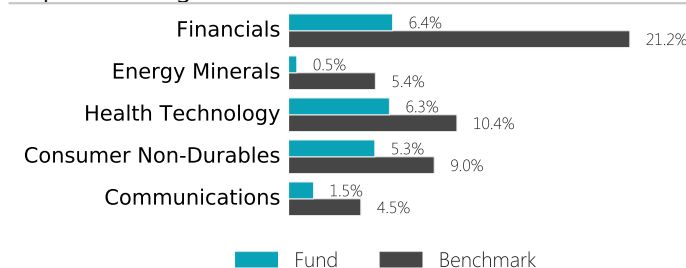
Sectors

% of Total Assets

Top Overweighted



Top Underweighted



Source: Union Investment Financial Services, Factset



Disclaimer:

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The emerging market country indexes included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, 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. Such 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. 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AWARDS. Global Investor/ISF Investment Excellence Award for 'SRI Manager of the Year 2015'. Arabesque submitted itself as a candidate for the award. The awards criteria included candidates' key achievements and attributes which separated the candidate from their peers. The winner was determined by the organisers (Global Investors/ISF), and the judging process was kept confidential. Arabesque did not make any payment as consideration for the award.