



Portfolio Commentary

Arabesque Prime returned -1.29% for the month (including 28 April), compared to -1.38% 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 +29.03% since inception.

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	EUR
Bid/Ask Price	127.73/127.73
Distribution Date	24.03.2017
Distribution Amount	0.40

Conditions

Minimum Investment	EUR 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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014											2.45%	1.41%	3.89%
2015	6.47%	6.70%	3.14%	-2.28%	1.46%	-3.88%	1.67%	-7.21%	-2.51%	7.68%	4.80%	-4.82%	10.31%
2016	-5.74%	-1.24%	1.95%	-0.99%	4.68%	-0.84%	4.21%	-0.41%	-0.51%	-0.84%	4.95%	2.23%	7.13%
2017	-0.52%	3.75%	1.55%	1.59%	-1.29%								5.09%

Risk Indicators

	Return (p.a.)	Last 12 Months	Volatility (p.a.)	Sharpe Ratio	Max Drawdown
Fund	10.37%	14.47%	12.65%	0.83	-22.79%
Index	10.71%	16.35%	12.30%	0.88	-23.17%

Awards



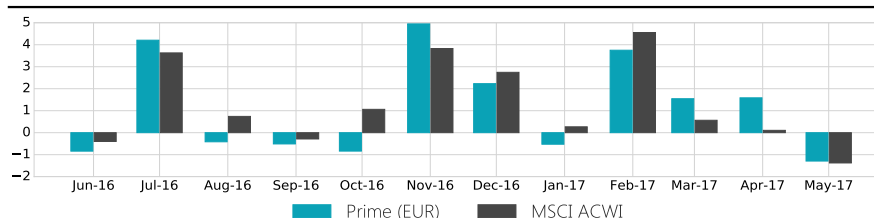
Performance since Inception

(Source: Union Investment Financial Services and MSCI)



Last 12m Performance (%)

(Source: Union Investment Financial Services and MSCI)



General Information

ISIN	LU1023698662	Inception Date	04.11.2014
WKN	A1XCPN	Management Company	IPConcept (Luxemburg) S.A.
Bloomberg	ARAPMAV 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

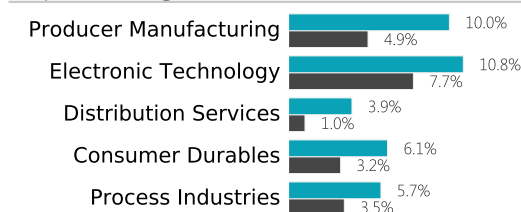
% of Total Assets

United States	48.5%	Canada	2.5%
United Kingdom	10.7%	Finland	2.4%
Japan	10.4%	France	2.3%
Australia	2.7%	Germany	2.1%
Sweden	2.5%	South Africa	1.6%

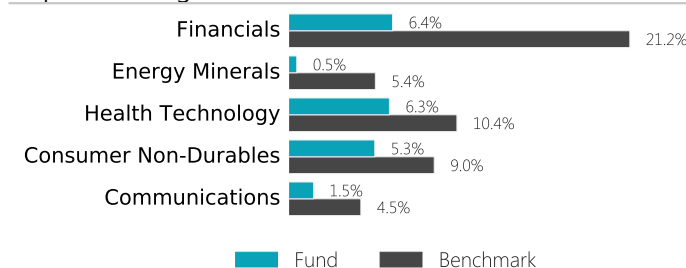
Sectors

% of Total Assets

Top Overweighted



Top Underweighted



Source: Union Investment Financial Services, Factset



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 68 Brook Street, London W1K 5DZ (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 through 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 Paying 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 Arabesque 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, Austria, Belgium, Canada, 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, 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. 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, guidelines, 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 Arabesque 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 Kingdom should note that this document is being issued in the United Kingdom by Arabesque 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. This document may not be copied, reproduced, in any way used or disclosed or transmitted, in whole or in part, to any other person. ENQUIRIES. Investors should direct any enquiries they may have in respect of this document to Arabesque Asset Management Ltd, 68 Brook Street, London W1K 5DZ, United Kingdom.

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.