



SKALIS EVOLUTION FLEX / DEFENSIVE: OCTOBER 2018

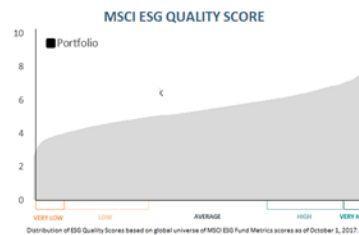
Improving the SDG impact.

Continued position exchanges within the funds led to increases in the funds' MSCI ESG Scores to extremely high scores of 8.3. (see the distribution of funds' ESG scores)

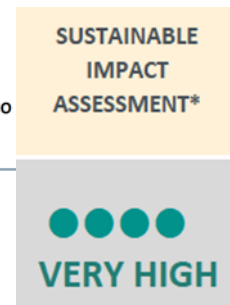
The SDG impact of the funds is now very high. Here, we generate positive impact regarding the sustainable development goals alternative energy, education and affordable housing. We work to improve our impact on the issues of pollution and healthcare.

The funds achieved the highest sustainability rating by Sustainalytics (five globes).

The carbon emissions of the portfolios are relatively low (121,5 t per USD 1 mio) thanks to our exclusions in the coal and oil sectors. We engage actively to further improve our ESG quality and SDG impact.



Source: MSCI ESG



Source: MSCI ESG

Sustainability ⓘ



Source: Morningstar, Sustainalytics

Solid performance despite market weakness.

With -1,6 % (Flex) and - 1,2% (Defensive) during October both funds generated a **solid** performance given the very weak equity markets.

During the month, the EuroStoxx 50 fell 8% from 3.399 to the month's low at 3.130 (October 24th). We exploited this market weakness to sell our put options (strike 3050, maturity January 2019) which we bought on October 9th and 17th. Furthermore, we added defensive equities in the food and pharmaceuticals sectors. We increased our net equity exposure at month end to 32% (Flex) and 16% (Defensive). We bought the new green bond of Berlin Hyp and the French ALD bond with a maturity of four years.

*To calculate the MSCI SDG Impact Assessments corporate bonds have been mapped to the relevant equity.

Only for professional clients and eligible counterparties. Not for private customers.

Since ESG Portfolio Management advises Skalis Evolution Flex I (July 2018) – 1,4%

Monthly returns of Skalis Evolution Flex since inception.

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 2013 | | | | | | | | | | | | 0.39 | 0.39 |
| 2014 | 1.07 | 1.42 | -0.48 | 0.75 | 0.68 | -0.05 | -0.25 | 1.08 | 0.30 | -1.30 | 2.11 | -1.20 | 4.14 |
| 2015 | 3.23 | 2.58 | 0.63 | -0.49 | -0.38 | -2.49 | 1.52 | -4.97 | -1.13 | 4.00 | 1.90 | -1.86 | 2.19 |
| 2016 | -3.02 | -2.12 | 1.21 | -0.19 | -0.17 | -1.83 | 0.64 | 0.50 | -0.47 | -0.37 | -0.93 | 1.41 | -5.32 |
| 2017 | 0.16 | 1.13 | 1.51 | 0.85 | 0.28 | -1.33 | 0.34 | -0.72 | 2.96 | 0.84 | -0.62 | -0.32 | 5.12 |
| 2018 | 0.92 | -1.36 | -1.01 | 1.38 | -1.23 | -0.53 | 1.16 | -0.84 | -0.12 | -1.57 | | | -3.21 |

<http://fondsfinder.universal-investment.com/de/DE/Funds/DE000A1W9AZ5/performance>

Since ESG Portfolio Management advises Skalis Evolution Defensive I (July 2018) – 0,7%

Monthly returns of Skalis Evolution Defensive since inception.

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|-------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|-------|
| 2014 | | | | | | | | | | | | 0.00 | 0.00 |
| 2015 | 1.51 | 1.74 | 0.52 | -0.35 | -0.66 | -1.58 | 0.84 | -2.19 | -1.11 | 2.15 | 0.81 | -1.02 | 0.57 |
| 2016 | -1.90 | -1.17 | 0.62 | -0.31 | 0.00 | -1.05 | 0.62 | 0.39 | -0.40 | -0.36 | -1.06 | 0.17 | -4.38 |
| 2017 | -0.15 | 0.62 | 0.77 | 0.47 | 0.19 | -0.58 | 0.09 | -0.63 | 1.67 | 0.53 | -0.53 | -0.21 | 2.25 |
| 2018 | 0.07 | -0.91 | -0.80 | 0.91 | -1.20 | 0.03 | 0.74 | -0.16 | -0.08 | -1.23 | | | -2.61 |

<http://fondsfinder.universal-investment.com/de/DE/Funds/DE000A12BPH1/performance>

Source: Universal, November 1st 2018

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