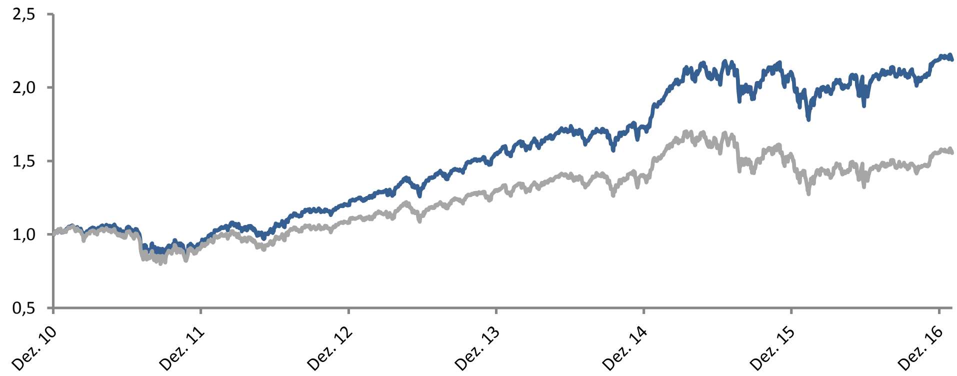
AC Equity Climate Smart Long Only

Focus on Performance and CO_2 footprint reduction

The strategy goes long low carbon stocks while controlling risk, delivering a marketcap replacement with a lower CO_2 footprint

Historical Performance



Blue: Strategy, Grey: Benchmark**

Total Return (in%)*

	2011	2012	2013	2014	2015	2016	2017
Strategie	-5,7%	27,4%	29,4%	11,5%	21,0%	4,7%	-0,2%
Benchmark	-8,6%	18,2%	20,8%	7,2%	9,6%	1,7%	-0,3%

(*) Strategy Implementation, 95 %, transaction costs included, Benchmark 100 %, Costs excluded, until 01/2017

(**)STOXX 600 Net Return Index

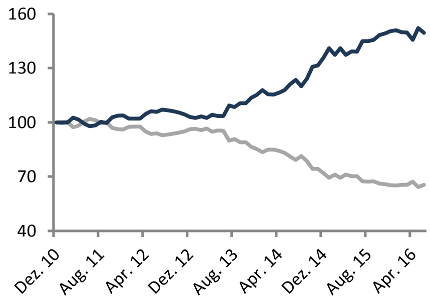
Institutional portfolios affected by impact of climate change

"The analysis of a relation between CO_2 intensity and financial performance has shown, that an investment strategy focused on companies with a comparatively low CO_2 intensity can be relatively advantageous. […] The conclusion can be drawn that the importance of CO2 emissions for investment decisions is increasing." (05/2016, Prof. Dr. Alexander Bassen, Prof. Dr. Timo Busch, Stefan Lewandowski, Franziska Sump)

In search for climate smart investments

Whitepaper: South Pole Group,
Prof. Alexander Bassen, Alpha Centauri

Low Carbon vs. High Carbon

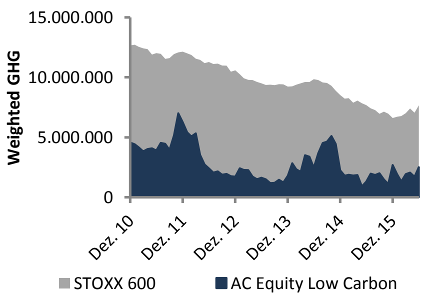


Low Carbon (blue) with higher / better performance compare to High Carbon (grey) Source: Alpha Centauri

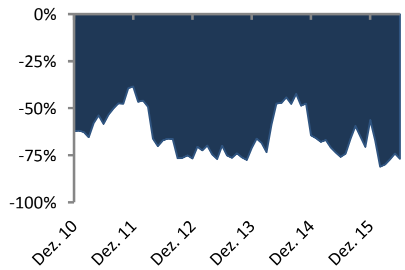
Conclusion: CO_2 Footprint critical for performance

Market Neutral investment solution delivering negative portfolio CO_2 footprint

„Green House Gas Emissions"



„Portfolio CO_2 Footprint"



Characteristic

Stock selection based on:

- Low CO_2 emission
- Stable dividends
- Low risk
- High quality of earnings and balance sheet
- Positive momentum
- Favourable market valuations
- High trading liquidity

Low Carbon Data

- South Pole Group
  - 45% market share
  - 11 years of history

Risk controlled

- Target tracking error of 3%

Strategy basics

- Index-based
- Long: ~ 100 single stocks
- ESMA / UCITS compliant

Strategy key figures (hist., %):

Volatility: 15.6
Return (p.a.) 13.2
Max. Drawdown: 20.0
Correlation to BM: 0.98

Benchmark key figures (hist., %):

Volatility: 17.4
Return (p.a.): 6.0
Max. Drawdown: 25.2

Wrapper

- UCITS / OGAW / Fund
- SWAP
- Certificates
- German „Schuldschein" / Structured Note with(out):
  - Coupon
  - Capital guarantee

Contact

Ulf Füllgraf
Phone: +49 (40) 89 7273-18
uf@alpha-centauri.com

Benjamin Badel
bb@alpha-centauri.com

Ulrich Jungbauer
uj@alpha-centauri.com

Dr. Maximilian Horster
m.horster@thesouthpolegroup.com

south pole group