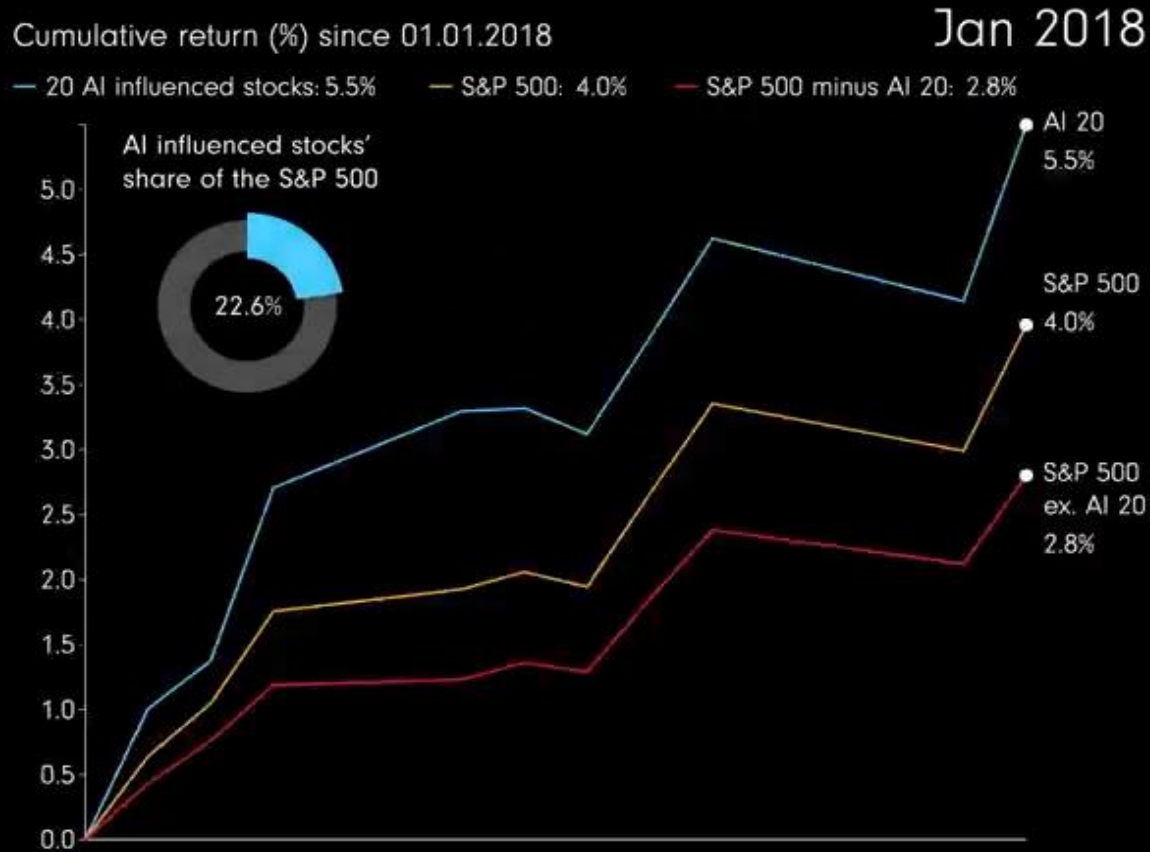


AI & ITS IMPACT ON ASSET MANAGEMENT INDUSTRY

Nico Baum, Head of Innovation & Data at Berenberg

BACKWARD-LOOKING PERSPECTIVE – CAPITAL IS GOING INTO TECH

AI's influence on the S&P 500



AI trends are long-established but have accelerated in the last years and months



3 well known US tech companies exceeded valuation of all public listed companies in Germany



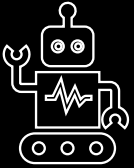
For the future, even stronger accumulation of capital into tech companies?

Source: LinkedIn Post from James Eagle.

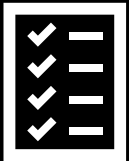
https://www.linkedin.com/posts/jameseagle_ai-artificialintelligence-technology-ugcPost-7071843839933587457-Unoc?utm_source=share&utm_medium=member_desktop

WITH AI SCALING IS NO LONGER CONSTRAINED BY TALENT AND TIME

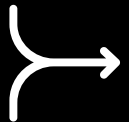
Standardisation not required - AI can find solutions for individual problems



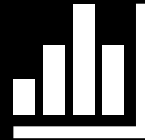
AI MEANS AUTOMATION & HAS
REQUIRED SKILLS



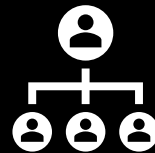
AI IS EASILY SATISFIED WITH WORK
ENVIRONMENTS



AI COMMUNICATES WITHOUT
FRICTION



EXISTING PROCESSES DO NOT NEED TO BE
ADJUSTED TO PEOPLE AND THEIR SKILLS / DEGREE
OF COMPLEXITY BUT CAN BE KEPT AS EFFICIENT AS
POSSIBLE



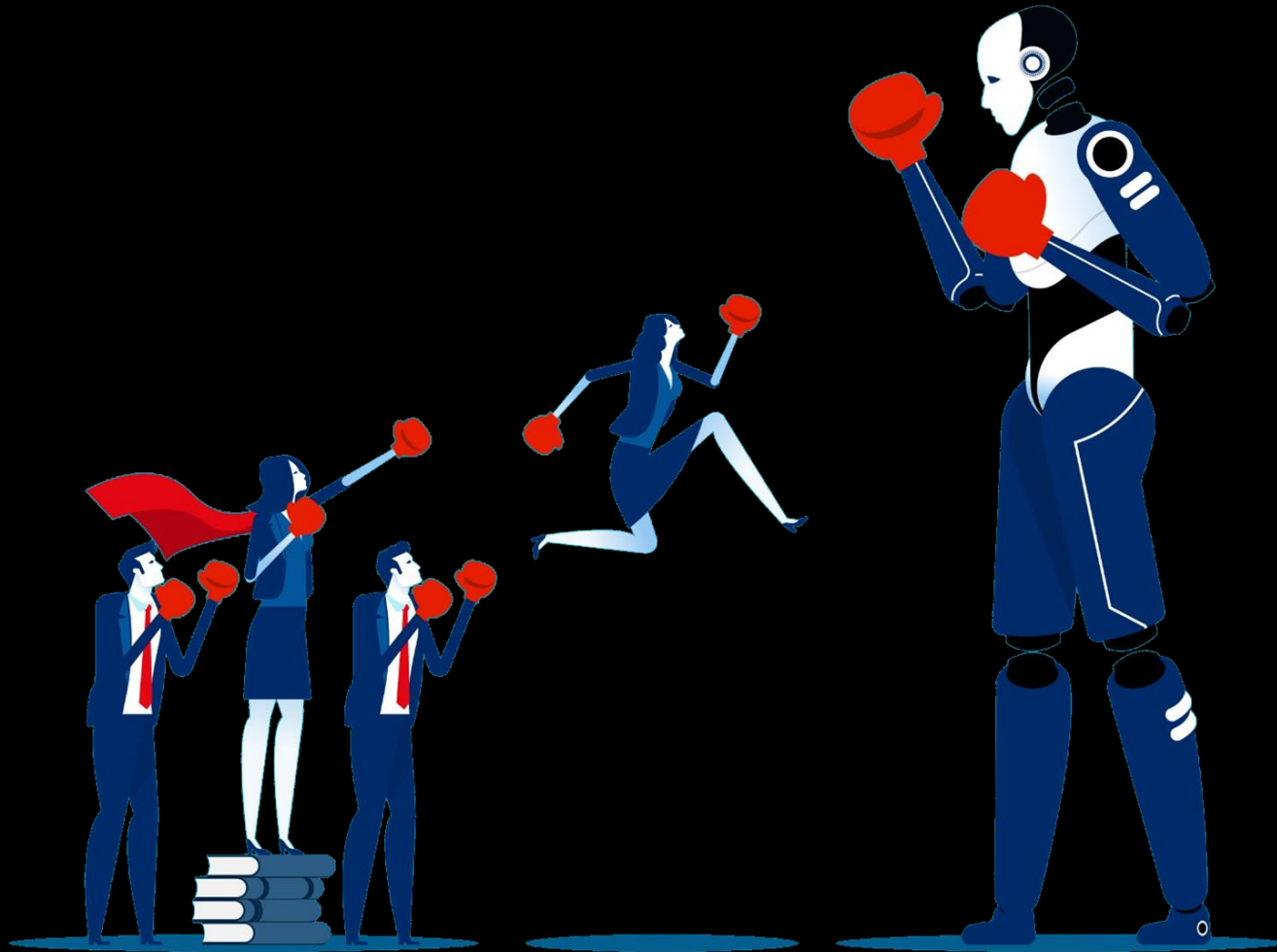
NO MANAGEMENT OF PEOPLE AND THEIR
EXPECTATIONS NEEDED OR PEOPLE QUITTING



CAN UP- AND DOWNSCALE AT ANY TIME &
CAN BE APPLIED TO ALMOST ALL OUR BUSINESSES
NOW

UNTIL WHEN IS HUMAN WORK BETTER THAN AI WORK?

Digitisation of economies takes place & AI is the driving force



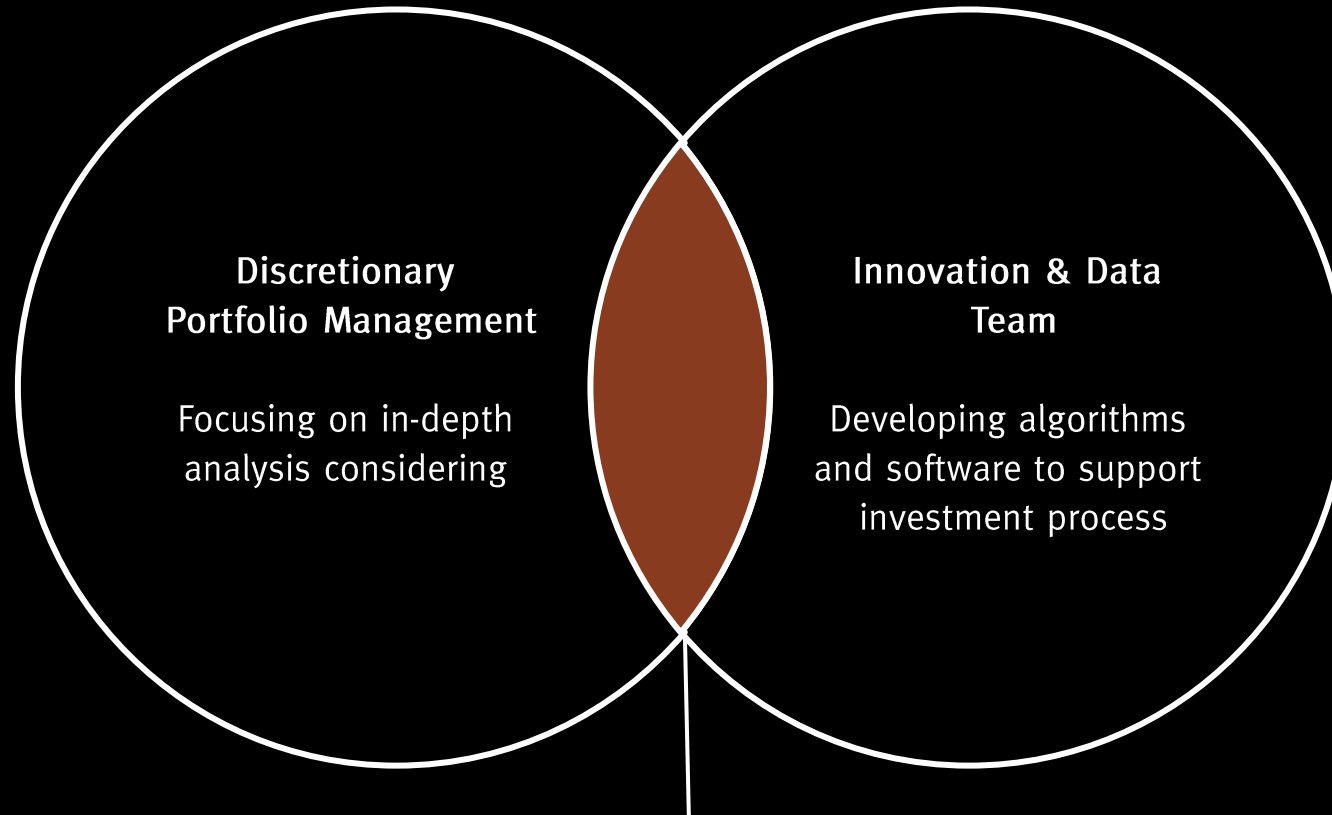
COLLECT IMPLICIT & EXPLICIT KNOWLEDGE IN
DATAPOOL & PROVIDE IT TO MACHINES

THE MACHINE CAN FIND INDIVIDUAL SOLUTIONS TO
INDIVIDUAL PROBLEMS

WE NO LONGER NEED TO STANDARDIZE

HOW DID WE REACT TO THE CONTINUOUS AI ADVANCEMENTS?

Strengthening our team of portfolio managers with technology experts



Areas where advanced analytics can meaningfully support portfolio managers



Close collaboration and continuous improvements are key drivers of success

WHAT HAVE WE ACHIEVED SO FAR?

Alternative data and AI approach is generating value on three pillars

1

FX MANAGEMENT

- C. € 3bn in FX Hedging
- € 300m in EUR USD Long-Short strategies
- AI based Sentiment strategies partially combined with traditional momentum approach

2

RESEARCH PROVIDER FOR DISCRETIONARY PMs

- Signals & Screenings provisioning to our discretionary portfolio managers
- Signals are used as additional research source within the investment process. Analyses are basis for questioning the status quo and uncover potential bias
- LLM powered chat bot to bundle the various information sources and make them easily and quickly available – in cooperation with
- Asset classes included are Currencies, Commodities & Equities



3

SENTIMENT FUND

- € 10m Global Macro strategy in a UCITS vehicle
- Alternative Sentiment data analysis with latest pattern recognition techniques
- The asset classes in focus are Commodities & Currencies

BERENBERG SENTIMENT FUND

Important Advice

This information is a marketing communication. It is intended exclusively for clients in the »professional clients« client category pursuant to section 67(2) of the WpHG and/or »eligible counterparties« pursuant to section 67(4) of the WpHG, and is not meant for retail clients. This information and references to issuers, financial instruments or financial products do not constitute an investment strategy recommendation pursuant to Article 3 (1) No. 34 Regulation (EU) No 596/2014 on market abuse (market abuse regulation) nor an investment recommendations pursuant to Article 3 (1) No. 35 Regulation (EU) No 596/2014, both provisions in connection with section 85 (1) of the German Securities Trading Act (WpHG). As a marketing communication this document does not meet all legal requirements to warrant the objectivity of investment recommendations and investment strategy recommendations and is not subject to the ban on trading prior to the publication of investment recommendations and investment strategy recommendations. This document is intended to give you an opportunity to form your own view of an investment. However, it does not replace a legal, tax or individual financial advice. Your investment objectives and your personal and financial circumstances were not taken into account. We therefore expressly point out that this information does not constitute individual investment advice. Any products or securities described may not be available for purchase in all countries or only in certain investor categories. This information may only be distributed within the framework of applicable law and in particular not to citizens of the USA or persons resident in the USA. The statements made herein have not been audited by any external party, particularly not by an independent auditing firm. Any future returns on fund investments may be subject to taxation, which depends on the personal situation of the investor and may change in the future. Returns on investments in foreign currencies may increase or decrease due to currency fluctuations. The purchase, holding, conversion or sale of a financial instrument, as well as the use or termination of an investment service, may give rise to costs that affect the expected income. In the case of investment funds, you should always make an investment decision on the basis of the sales documents (key investor document, presentation of past performance, sales prospectus, current annual, if applicable, semi- annual report), which contain detailed information on the opportunities and risks of the relevant fund. In the case of securities for which a securities prospectus is available, investment decisions should always be made on the basis of the securities prospectus, which contains detailed information on the opportunities and risks of this financial instrument, otherwise at least on the basis of the product information document. An investment decision should be based on all characteristics of the fund and not just on the sustainability-related aspects . All the aforementioned documents can be obtained from Joh. Berenberg, Gossler & Co. KG (Berenberg), Neuer Jungfernstieg 20, 20354 Hamburg, Germany, free of charge. The fund sales documents and the product information sheets for other securities are available via a download portal using the password »berenberg« at the Internet address <https://docman.vwd.com/portal/berenberg/index.html>. The sales documents of the funds can also be requested from the respective investment management company. We will be pleased to provide you with the specific address details upon request. A fund investment involves the purchase of shares in an investment fund, but not a specific underlying asset (e.g. shares in a company) held by that fund. The statements contained in this document are based either on own company sources or on publicly accessible third-party sources, and reflect the status of information as of the date of preparation of the presentation stated below. Subsequent changes cannot be taken into account in this document. The information given can become incorrect due to the passage of time and/or as a result of legal, political, economic or other changes. We do not assume responsibility to indicate such changes and/or to publish an updated document. Please refer to the online glossary at www.berenberg.de/glossar for definitions of the technical terms used in this document. Date 18.09.2023