

NextGen Alpha



Activities dedicated to the application of artificial intelligence (AI)
to the investment management industry

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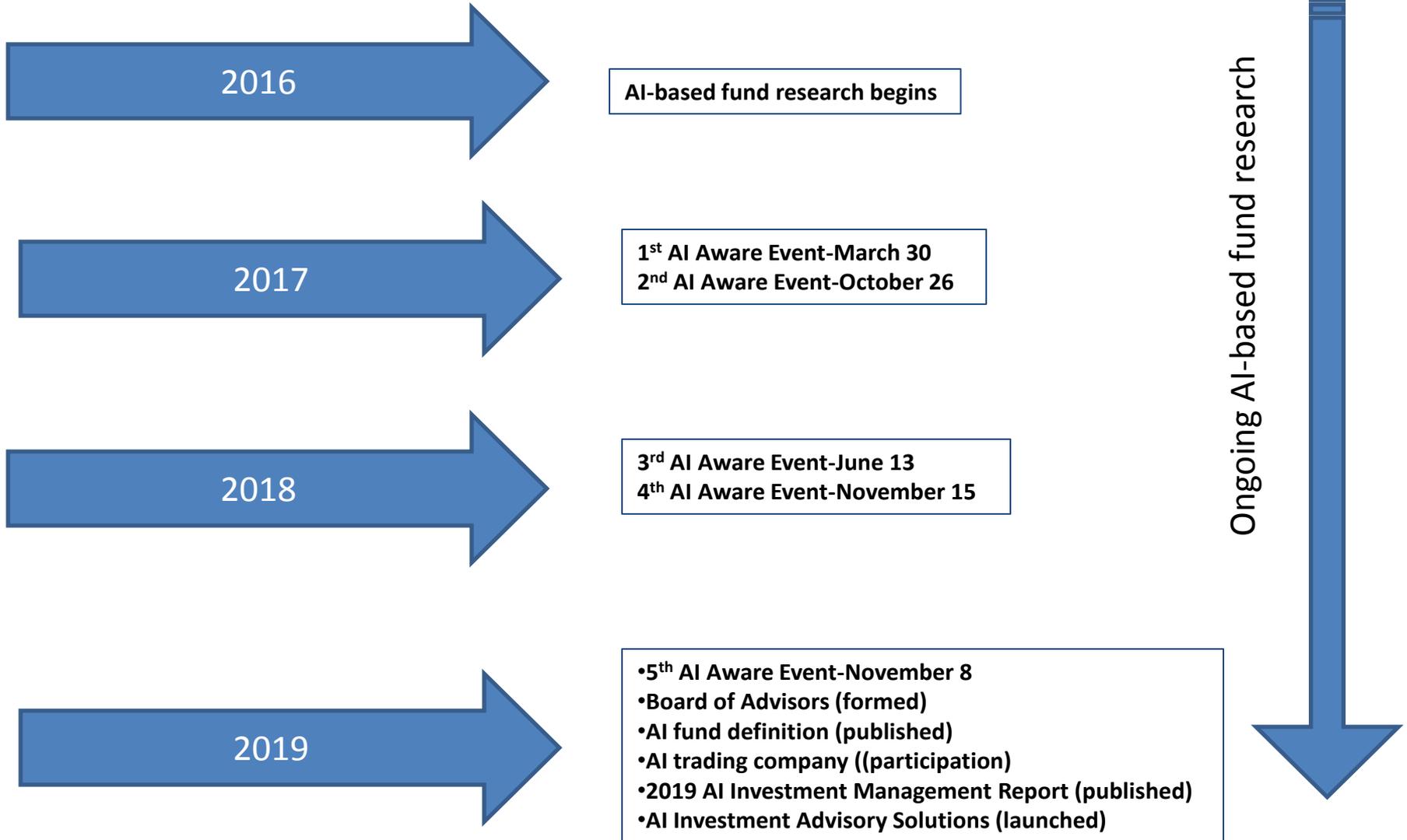
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Our Mission

NextGen Alpha's AI activities and initiatives

- Demonstrate a leadership role in the application of AI to the investment management industry.
- Help support the growth (number of funds and assets) of the AI-based fund universe.
- Bring the universe closer to being a standalone, mainstream and meaningful fund category.
- **Offer investors access to the AI-based fund universe**

NextGen Alpha AI timeline



2016

AI-based fund research begins

2017

1st AI Aware Event-March 30
2nd AI Aware Event-October 26

2018

3rd AI Aware Event-June 13
4th AI Aware Event-November 15

2019

•5th AI Aware Event-November 8
•Board of Advisors (formed)
•AI fund definition (published)
•AI trading company ((participation)
•2019 AI Investment Management Report (published)
•AI Investment Advisory Solutions (launched)

Ongoing AI-based fund research

Activities

-Offering investors access to the universe of AI-based investment products and services-

NextGen Alpha's AI activities focused on the application of AI to the investment management industry, leverages our long standing AI-based fund research and access to the universe of AI-based fund products.

- **NextGen AI Aware Event series** (presentations by managers who offer AI-based funds) – **5th NextGen AI Aware Event---November 8, 2019, Frankfurt am Main**
- **NextGen AI Investment Advisory Solutions** (fund selection for customized AI-based portfolios, portfolio advice and AI fund database services)
- **AI Investment Management Industry Report 2019** (showcasing AI-based funds and managers who offer them)

Appendix

AI Aware Events---"No Noise, Just Reality"

AI-based fund products, data, technology, investment opportunities - NextGen AI Aware Event series delivers the most comprehensive line-up of managers offering investible AI products alongside market participants who contribute to the growth of the AI fund universe.

Presentations involving practical AI implementation experiences offered by these AI innovators of the investment management industry give professional investors a closer look at the exciting advancements of the universe of AI-based investment products and services.

View upcoming and past event programs and recordings of presentations by visiting: <http://nextgen-alpha.com/>

Appendix

Definition of an AI-based fund

In our opinion the growth of the universe is becoming meaningful and by introducing a definition we have reached a timely milestone for establishing a standalone fund category for AI-based funds.

Internally, we use the below list of AI attributes as the framework for qualifying an AI-based fund and the universe as a whole which is then applied across the range of NextGen AI activities .

Defining AI attributes

- 1) Use of AI technology (a learning system as opposed to a mechanically programmed rules-based approach) is the foundation of the AI-based fund product — in contrast to other approaches (e.g., traditional quant, discretionary, etc.).
Note: a fully autonomous investment decision-making process (portfolio construction and rebalancing) is preferred but not necessarily a requirement.
- 2) The ability to process diverse inputs, interpret and learn from them and generate adaptive goal-directed actions.
- 3) The ability to process diverse inputs, unconstrained by any particular modality or format.
- 4) The ability to learn in an adaptive way without specific programmed functionality.
- 5) Knowledge representation supports “reasoned” actions to novel events, more than just pattern recognition.

Appendix

Board of Advisors

Reporting to Fred Sage, Chairman of the Board, NextGen Alpha AG, the board of advisors is comprised of a team of seasoned professionals who bring a diverse set of business, investment management, event and artificial intelligence skills, experience and networks.