

Source R Equal-Risk European Equity UCITS ETF

Investment objective

Source R Equal-Risk European Equity UCITS ETF (the "fund") aims to deliver the return of the R Risk-Based European Equity Index Net TR (the "index") less an annual management fee of 0.48%.

Key advantages

- Uses the correlation and volatility of individual stocks to determine their weighting in the index
- Aims to improve risk-adjusted returns compared to traditional market-cap weighted benchmarks
- Maintains diversification similar to the broad European equity market

About the benchmark

The R Risk-Based approach uses the volatility of individual stocks and the correlations between stocks as inputs to the weighting and selection process.

The constituents are selected from the largest 250 stocks covering 18 European developed market countries:

- This is filtered to remove stocks with less than €1 million 3-month Average Daily Traded Volume
- Portfolio rebalanced monthly, so that the 50% most risky stocks (on the basis of their volatility and correlation) have nil weightings
- The index is constructed by setting the Marginal Risk Contribution (MRC) of each of the remaining 125 stocks to zero, so that each stock has an equal risk weighting in the portfolio

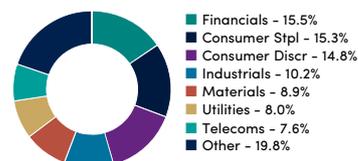
Source ETF structure

The Fund achieves its performance through Source's swap-enhanced ETF structure. This innovative investment technique combines full investment in physical equities with a multicounterparty swap overlay to minimise tracking error. Source's approach allows counterparty risk to be substantially reduced compared to typical swap-enhanced ETFs.

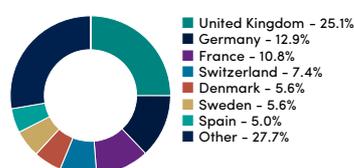
R Risk-Based European Equity Index Total Return (Net)

(Data as of 30 November 2017)

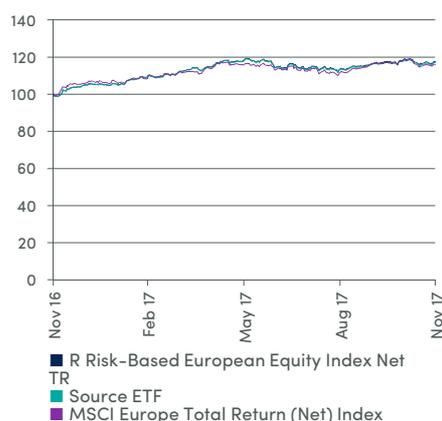
Sector exposure



Geographic exposure



1 year performance



Risk/return profile

Year	Index performance	Volatility ¹	Sharpe ratio ²
2017 YTD	11.16%	7.49%	-
2016	-3.26%	16.85%	-0.23

Source: Bloomberg.

Past performance is not a reliable indicator of future performance.

Top 10 index holdings

Company	Weighting
HAL TRUST	1.88%
Abertis Infraestructuras	1.40%
Voestalpine Ag	1.35%
AKZO Nobel N V	1.16%
Deutsche Boerse	1.14%
Volkswagen	1.12%
Randgold Resources Ld	1.11%
Kingfisher Plc	1.06%
Tesco Plc	1.04%
PSP SWISS PROPERTY	1.02%

Trading information

Exchange listing: Borsa
Trading currency: EUR
Trading times: 08:00 - 16:30
London time
IE00BRK94N63
Bloomberg: REQR IM
Bloomberg (iNAV): REQRIN
Reuters: REQR.MI
Reuters (iNAV): OJ9QINAV.DE

Exchange listing: LSE
Trading currency: GBP
Trading times: 08:00 - 16:30
London time
IE00BRK94N63
Bloomberg: REQR LN
Bloomberg (iNAV): REQRIN
Reuters: REQR.L
Reuters (iNAV): OJ9RINAV.DE

Exchange listing: SIX
Trading currency: EUR
Trading times: 09:00 - 17:30
Zurich time
IE00BRK94N63
Bloomberg: REQR SW
Bloomberg (iNAV): REQRIN
Reuters: REQR.S
Reuters (iNAV): OJ9QINAV.DE

Exchange listing: Xetra
Trading currency: EUR
Trading times: 09:00 - 17:30
Frankfurt time
DE000A12D253
Bloomberg: REQR GR
Bloomberg (iNAV): REQRIN
Reuters: SOREQR.DE
Reuters (iNAV): OJ9QINAV.DE

Index information

Index: R Risk-Based European Equity Index Total Return (Net)
Currency: EUR
No. constituents: 127
Bloomberg: RRBEUNT1
Reuters: .RRBEUNT1

ETF information

Replication method: Equities with swap enhancement
Base currency: EUR
Issuer: Source Markets plc
Manager: Source Investment Management Limited
Investment manager: Assenagon Asset Management S.A.
Depository: Northern Trust Fiduciary Services (Ireland) Limited
Fund inception: 13 Jan 2015
Ongoing charge³: 0.48% p.a.
Swap fee: 0%
Dividends: Accumulating
Open-ended: Yes
UCITS: Yes
Domicile: Ireland
UK reporting status: Yes
ISA/SIPP: Eligible
Minimum investment: 1 unit

Available at powershareseff.com

Assets under Management
NAV & iNAV
Prospectus & KIID

For more information

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¹ Annualised volatility based on daily log returns

² Sharpe ratio is adjusted for risk free rate, taken as the yield on 12 month US Treasuries

³ Includes management fee, custody and administration costs but excludes transaction costs such as swap costs

About Source

Source is a specialist provider of Exchange Traded Products (ETPs) with a unique approach and deep roots in the trading community. Source's partners include: Bank of America Merrill Lynch, Goldman Sachs, J.P. Morgan, Morgan Stanley, Société Générale, UBS, Virtu Financial, Flow Traders, Commerzbank and Deutsche Bank AG, along with over 15 other market makers. Our unique approach to ETPs is delivering a superior investor experience and rapid asset growth.

Buying and selling Source ETFs

Source ETFs can be traded both on exchange and over the counter. The ETFs have multiple dealers and market makers, encouraging tight bid offer spreads and high liquidity. For guidance and intelligence concerning trading in Source products, please contact our Capital Markets group on +44 (0) 20 3370 1154 or capitalmarkets@SourceETF.com.

Key features

Liquidity

Source's multi broker/dealer platform enhances daily liquidity and provides robust bid-offer spreads both OTC and on exchange. Source ETFs have similar liquidity characteristics to their underlying traded securities.

Flexibility

By using Source ETFs on a number of indices, an investor can build or customise a range of exposures and with intraday liquidity can adjust these exposures dynamically. Source ETFs can be lent and borrowed, allowing investors to go long and short indices.

Transparency

Source ETFs aim to replicate the performance of the underlying index. Additionally, they benefit from a transparent fund and cost-structure. Benchmark constituents and weightings are published daily.

Simplicity

Source ETFs help investors to gain exposure to a wide range of indices while executing only one trade.

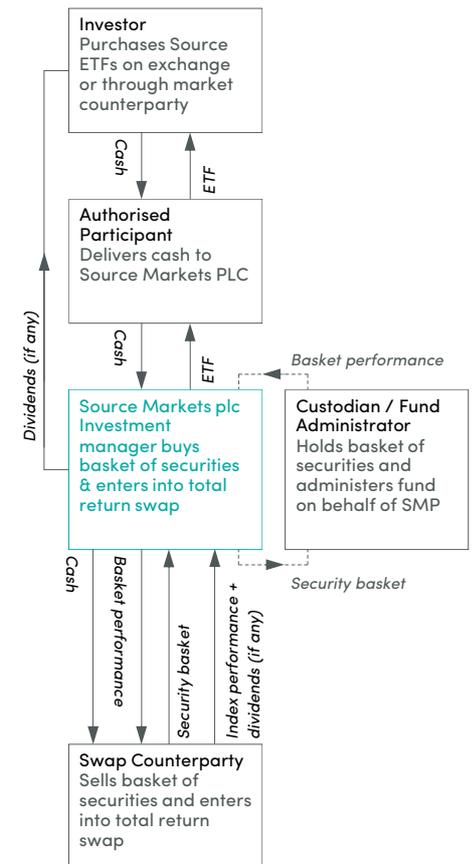
Accessibility

Source ETFs are traded and settled on regulated stock exchanges and can be purchased and held in ordinary brokerage or custodial accounts.

Cost-effectiveness

Source ETFs have significantly lower management fees or total expense ratios (TERs) than many actively managed funds.

Source swap enhanced ETF structure



Key Disclaimer Information:

Investors in Source products should note that the value of your investment may go down as well as up. As a result, you may not get back the amount of capital you invest.

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