

# GLOBAL IMPACT DISRUPTIVE INNOVATION

As of March 31, 2020



ARK  
INVEST

EMERGE  
CAPITAL MANAGEMENT



## INVESTMENT STRATEGY

The Global Impact Disruptive Innovation Strategy aims for long-term capital growth by actively managing a concentrated portfolio of public equity securities of companies that are relevant to the theme of disruptive innovation. The portfolio represents ARK's highest-conviction investment ideas in the areas of DNA Sequencing, Autonomous Technology, Energy Storage, Deep Learning, Fintech, and Robotics.

The strategy invests in what ARK believes are the leaders, enablers, and beneficiaries of disruptive technologies. The strategy is benchmark agnostic. It will invest in companies across multiple sectors and geographies. Portfolios will include issuers across all market capitalizations with low overlap to traditional broad market indices.

The strategy is driven by ARK's unique research process, which incorporates an open research architecture ("Open Research Ecosystem") designed to gain a deeper understanding of technology to identify disruptive innovation early.

## WHY INVEST IN ARK'S STRATEGY?

- 1. Exposure to Innovation:** Aims for thematic multi-cap exposure across sectors to disruptive areas of innovation.
- 2. Growth Potential:** Aims to capture long-term growth with low correlation of relative returns to traditional growth strategies and negative correlation to value strategies.
- 3. Tool for Diversification:** Offers a tool for diversification due to little overlap with traditional indices and can serve as a complement to traditional strategies.
- 4. Grounded in Research:** Combines top-down and bottom-up research in its portfolio management to identify innovative companies and convergence across markets.

## PORTFOLIO MANAGER



### Catherine D. Wood, Chief Investment Officer

Catherine founded ARK Investment Management LLC in 2014. Previously, she completed twelve years at AllianceBernstein as Chief Investment Officer of Global Thematic Strategies with over \$5 billion in assets under management. Before AllianceBernstein, she worked for eighteen years with Jennison

Associates as Chief Economist, Equity Research Analyst, Portfolio Manager, and Director. Catherine started her career in Los Angeles at the Capital Group as an Assistant Economist.

- ✓ **Speaker at the World Economic Forum (2016, 2017)**
- ✓ **Selected Bloomberg 50 (2018)**
- ✓ **Selected Fortune Investor Roundtable (2018)**

For more Information see Award Disclosure

## ARK'S INVESTMENT PHILOSOPHY

ARK believes that innovation is key to growth. Disruptive innovation is the introduction of a technology-enabled product or service that changes an industry landscape by offering simplicity and accessibility, while driving down costs. Despite its potential, the magnitude of disruptive innovation and the investment opportunities it creates are often unrecognized or misunderstood by traditional investors. ARK believes it can outperform broad-based benchmarks over the course of a full market cycle, with low correlations of relative returns to traditional growth and value strategies.

- ✓ **Actively managed, high-conviction portfolio**
- ✓ **Cross-sector and cross market capitalization**
- ✓ **Low overlap to broad market indices**
- ✓ **Unique research process, focused on innovation and driven by ARK's Open Research Ecosystem**

## DETAILS

Strategy Type	Actively Managed Equity
Style	Growth
Asset Class	Global Equity
Vehicle Type	Separate Account
Strategy Inception	03/01/2016
Typical Number of Holdings	30 - 40
Weighted Avg. Market Cap.	\$33 Billion
Median Market Cap.	\$9 Billion
Benchmark	Benchmark Agnostic
Strategy Assets	\$596 Million
Advisor	ARK Investment Management LLC
Firm Assets	\$10.1 Billion

## SECTOR WEIGHTS

Information Technology	30.6%
Health Care	29.5%
Communication Services	15.0%
Consumer Discretionary	12.6%
Not Classified	5.0%
Financials	4.8%
Industrials	2.6%

## MARKET CAPITALIZATION

Mega	15.0%
Large	27.9%
Medium	13.3%
Small	28.9%
Micro	14.7%

## GEOGRAPHY BREAKDOWN

North America	91.4%
Greater Europe	6.8%
Greater Asia	1.8%

# ARK DISRUPTIVE INNOVATION STRATEGY

As of March 31, 2020

## TOP 10 HOLDINGS

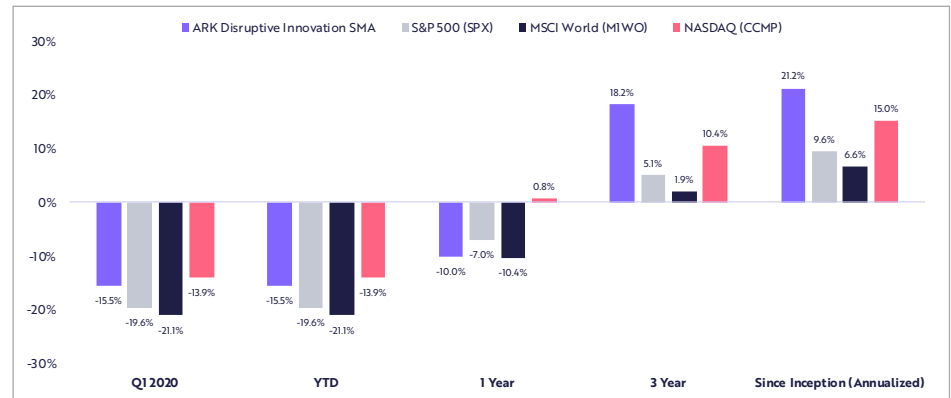
SECURITY NAME	WEIGHT
1 TESLA INC	10.60%
2 ILLUMINA INC	7.94%
3 SQUARE INC - A	7.64%
4 CRISPR THERAPEUTICS AG	5.07%
5 GRAYSCALE BITCOIN TRUST	4.99%
6 INVITAE CORP	4.96%
7 ROKU INC	4.52%
8 STRATASYS LTD	4.41%
9 PROTO LABS INC	4.06%
10 INTELLIA THERAPEUTICS INC	3.63%
	58.4%

Holdings are subject to change. Portfolio holdings should not be considered as investment advice or a recommendation to buy, sell or hold any particular security. The securities identified do not represent all of the securities purchased, sold or recommended for client accounts. It should not be assumed that an investment in the securities identified was or will be profitable.

## STRATEGY PERFORMANCE

Inception: Oct. 31, 2014. For periods ended Mar. 31, 2020

TOTAL RETURNS	3 Months	YTD	1 Year	3 Years*	Since Inception*
<b>ARK Disruptive Innovation SMA</b>	<b>-15.51%</b>	<b>-15.51%</b>	<b>-10.03%</b>	<b>18.19%</b>	<b>21.19%</b>
S&P 500*	-19.60%	-19.60%	-6.98%	5.10%	9.56%
MSCI World*	-21.05%	-21.05%	-10.39%	1.92%	6.58%
NASDAQ*	-13.91%	-13.91%	0.78%	10.45%	15.03%



\*Index provided for reference only. The strategy is benchmark agnostic. | + Annualized Returns

**Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal will fluctuate so that an investment when redeemed may be worth more or less than the original cost.** Returns for less than one year are not annualized. The performance is daily and net-of-fees, and reflects the reinvestment of dividends and other earnings. ARK is a registered investment adviser with the U.S. Securities & Exchange Commission ("SEC").

The Global Impact Disruptive Innovation Strategy managed by ARK Investment Management LLC ("ARK") is a separate account strategy invested in stocks, which are publicly traded securities subject to a changing market value. This strategy and its separate account composite began on March 1, 2016.

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An investment in an ARK separate account is subject to risks and you can lose money on your investment. There can be no assurance that the separate account will achieve its investment objective. The ARK separate account portfolio is more volatile than broad market averages. Investors should carefully consider the investment objectives and risks as well as charges and expenses of a separate account before investing, and consult a financial professional, an attorney or tax professional regarding the investor's specific situation.

**Index Descriptions: The S&P 500® Index** is a widely recognized capitalization-weighted index that measures the performance of the large-capitalization sector of the U.S. stock market. **The MSCI World Index** represents large and mid-cap equity performance across 23 developed markets countries. Returns shown for the MSCI World Index are net of foreign withholding taxes applicable to U.S. investors. **Nasdaq Composite Index** is the market capitalization-weighted index of over 3,300 common equities listed on the Nasdaq stock exchange. The types of securities in the index include American depository receipts, common stocks, real estate investment trusts (REITs) and tracking stocks, as well as limited partnership interests. The index includes all Nasdaq-listed stocks that are not derivatives, preferred shares, funds, exchange-traded funds (ETFs) or debenture securities. Securities in the portfolio will have significant non-correlation to those in any index as the strategy is benchmark agnostic. Index performance is presented as a general market indicator. You cannot invest directly in an index. Although reinvestment of dividend and interest payments is assumed, no expenses are netted against an index's returns. Index performance information was furnished by sources deemed reliable and is believed to be accurate, however, no warranty or representation is made as to the accuracy thereof and the information is subject to correction.

**Award Disclosure:** The Adviser did not pay a fee to be considered for or granted any awards. The Adviser did not pay a fee or was required to be a member of an organization to be invited as a speaker at any of the noted events. **Bloomberg 50, 2018:** A list of people across business, entertainment, finance, politics, technology, and science who have defined global business. The list <https://www.bloomberg.com/features/2018-bloomberg-50/>; **Fortune's Investor Roundtable, 2018:** A roundtable of experts selected by the Fortune editorial team in the annual "Fortune Investors Guide: The Best Investing Advice for 2019 From Fortune's Experts." <http://fortune.com/longform/best-stocks-2019-investor-roundtable/>

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