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## Our Interests Aligned

SEDCO Capital is a global asset management firm with an investment reach, instruments and reputation spanning global markets.

With a history stretching back to 1976, SEDCO Capital's asset management experts have pioneered a Shariah compliant, prudent and ethical approach that delivers world-class investment solutions to institutions, sovereign wealth funds and high net worth individuals (HNWIs).

SECO Capital offers advisory, discretionary management and asset allocation services that create access to high-performing public and private equities, commodities, income funds, and real estate assets. The firm's clients benefit from several world-class investment funds and instruments, including its Luxembourg funds platform.

## Operational Highlights

During 2014, SEDCO Capital's investments generated robust results that outpaced market benchmarks. The company created dedicated teams to handle asset classes and put ethical investing center stage by signing the United Nations Principles of Responsible Investment.



### Regional Public Equities



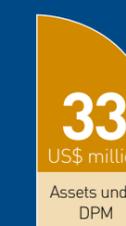
### International Private Equities



### Regional Real Estate



### DPM



### Regional public equities beat the market

SEDCO Capital MENA strategies ended the year strongly with an Alpha of 1.52 and USD 35 million of capital invested in the fund. The fund's strong performance saw it rank 8th on the list of the 25 funds operating in the regional equities space.

### International private equities on a high

SEDCO Capital's total private equity transactions for 2014 totaled SR 1.4 billion, 665 million of which came for new commitments. 8 new deals were closed, with 2 new strategies joint ventures across different geographies and asset classes. The private equity portfolio offered robust returns of 12 percent during the year, with lucrative exits generating a multiple of 2.5x.

### Discretionary Portfolio Management in the spotlight

SEDCO Capital's Discretionary Portfolio Management (DPM) services expanded significantly in 2014, with a number of clients upgrading from advisory to DPM. The company also expanded its private placement fund activities to deliver specialized investment strategies based on risk return profiles and target allocation. As of December 2014, SEDCO Capital had assets worth USD 33 million under DPM, with a growing client base and increasing revenue.

### Regional real estate generates returns

The SEDCO Capital Real Estate Income Fund I (SCREIF I) core/core plus fund performed strongly in 2014 as a result of the regional real estate team's aggressive asset management. It returned a 7.5 percent distribution to investors, which was 0.5% above targeted returns.



### Ethical investing takes center stage

In 2014, SEDCO Capital became the first Shariah compliant global asset manager, and the first Saudi Arabian company, to become a signatory to the United Nations Principles of Responsible Investment (UNPRI).

### Expanding the Luxembourg platform

SEDCO Capital expanded its Luxembourg platform to cater for varying investor parameters with four 4 new funds. These included instruments investing in large and mid cap healthcare and consumer staples, diversified liquid assets, and secular sustainable investments in public equity.

### Creating dedicated investment teams

SEDCO Capital focused on further upgrading internal capabilities, with dedicated teams put in place to handle income strategies, regional real estate and regional liquid assets.

### An in-house asset management focus

SEDCO Capital is moving away from becoming a manager of third party managers to becoming a direct asset manager in products and assets classes where it excels, such as Saudi and MENA equities and Saudi real estate.



“We are proud to be responsible market leaders in delivering unique investment opportunities, advice and services through a global presence stretching across 30 countries.”

## Chairman's Statement

Abdelelah Salem Bin Mahfouz

### Dear Shareholders,

I am proud to present SEDCO Capital's annual report for 2014, a year in which we solidified our position as a well established asset manager with a global reputation. A highlight of the year was the efforts of our team in expanding our investment products globally while creating effective systems of compliance and governance.

The year also saw us undertake a shift in strategy and move many of our funds to in-house management. This is a shift that will continue as we move towards becoming a pure asset manager that takes direct responsibility for investor funds and returns.

Thanks to the efforts of our teams, most of our investment instruments have delivered targeted returns despite numerous external challenges. During the year, SEDCO Capital launched new funds, strengthened its income generation capabilities, created a sound liquid asset base, commenced exciting private equity ventures and also expanded its local and international real estate activity. We also created tailored vehicles for investors to enable access to opportunities in international markets. Our services were favorably received by investors both at home and abroad.

I am also pleased to note that 2014 saw us maintain our market leadership in environmental, social and governance principles (ESG) by signing the United Nations Principles of Responsible Investing (UNPRI). This is a very important step as per our value framework, and makes us the first Sharia compliant asset manager globally, and the first Saudi Arabian company to become a signatory.

Since SEDCO Capital's inception, we have been implementing rigorous methods of governance and internal audit platforms. During the year, we strengthened this commitment to ethical investing and continued solidifying our internal corporate governance. Our compliance with Shariah is being formalized in a "Shariah Manual" containing sophisticated policies, procedures and processes.

In 2014, while the members of the Board remained the same, and provided us with invaluable oversight and guidance, we expanded our talent pool by adding new members to the executive team. To them, I bid them a warm welcome, confident that they will help SEDCO Capital continue down the road of ethical and sustainable value creation.

We are proud to be responsible market leaders in delivering unique investment opportunities, advice and services through a global presence stretching across 30 countries. We want to be considered a partner for choice not just for investors who want Shariah and ESG compliance but also those looking for investments yielding healthy returns at calculated risk.

On behalf of the Board of Directors, I would like to express my gratitude to the Custodian of the Two Holy Mosques; the Crown Prince and Deputy Prime Minister; and the Second Deputy Prime Minister for their great leadership in building a vibrant economy.

I am also grateful for the continued support and guidance of the Capital Market Authority.

I would like to thank the SEDCO Capital's shareholders, Board of Directors, our management team, all our members of staff, and our strategic partners who have demonstrated continued support for our aspirations. And finally, I would like to thank our clients and investors for their continued confidence in SEDCO Capital. We remain committed to serving you to world class standards in the years to come.

## The Board of Directors



**Seated from left:** Ahmed Suleiman Banaja, Abdelelah Salem Bin Mahfouz, Dr. Hani Findakly  
**Standing from left:** Abdullah Mubarak Baarmah, Tarek Jawad Sakka, Abdulrazzak Mohammed Elkhrajy

### **Abdelelah Salem Bin Mahfouz**, Chairman

Mr. Bin Mahfouz was Managing Director of SEDCO Financial Investments Group from 1997 to 2006. In addition to serving on the Board of SEDCO Holding, he has been Chairman of SEDCO Capital since its formation in 2010.

He began his business career in 1975 with the National Commercial Bank, and between 1980 and 1990 was the bank's Deputy General Manager and Riyadh Regional Manager.

Mr. Bin Mahfouz has a Bachelor's degree in Business Administration from Ohio State University.

### **Ahmed Suleiman Banaja**, Director

Mr. Banaja joined the Board in 2008 and was CEO of SEDCO from 2008 to 2010. He is also a Director of SEDCO Capital and was the firm's first CEO, overseeing its formation in 2010. He began his career with Citibank in 1971 and then held senior positions at the National Commercial Bank for 12 years.

He is currently a Director of Al Faisaliah Group and SEDCO Holding. He was a Director of Jeddah Urban Development and Regeneration Company, and was previously on the Economic Advisory Team to the Supreme Economic Council.

Mr. Banaja has a BSc in Mathematics and Economics from the University of Kent.

### **Dr. Hani Findakly**, Director

Dr. Findakly has been a Non- Executive Director of SEDCO since 2003. He is President of Potomac Capital and has served in various senior capacities on Wall Street, including Director and Chairman of Dillon Read Capital Management and Vice-Chairman of the Clinton Group, both New York-based investment management firms. From 1990 to 1999 he was President and CEO of Potomac Bobson, a global investment management firm.

Between 1975 and 1986 Dr. Findakly worked at the World Bank, where he was Director of the Investment Department and Chief Investment Officer. He was previously on the faculty of the MIT's School of Engineering and the Center for Policy Alternatives.

Dr. Findakly received his Doctor of Science and Master of Science degrees from the MIT.

### **Abdulrazzak Mohammed Elkhrajy**, Director

Mr. Elkhrajy is a Saudi banker with more than 30 years' experience, having held various senior positions with the NCB Group where he was latterly head of the Islamic banking development group.

He is a member of the Board of Trustees of the Accounting and Auditing Organization for Islamic Financial Institutions, and a Board Member of the General Council for Islamic Banks and Financial Institutions.

Mr. Elkhrajy holds a BA in Economics and Business from Macalester College, St Paul, Minnesota.

### **Abdullah Mubarak Baarmah**, Director

Mr. Baarmah started his career in banking as a futures trader with the National Commercial Bank's Treasury division in 1994, going on to hold various positions in the division.

He was Head of the Global Fixed Income Department at NCB Capital before his appointment to the SEDCO Capital Board in 2010.

Mr. Baarmah has a BSc in Business Administration from the University of Portland.

### **Tarek Jawad Sakka**, Director

Mr. Sakka is the Founder & CEO of Ajeej Capital, a leading independent investment management company. He is also a Member of the Boards of the Middle East Specialized Cable Company (MESCC) and the Morgan Stanley Saudi Equity Fund.

Before founding Ajeej Capital, he held key positions at local and global companies, including Group Vice-President at Olayan Financing Company and Head of Private Equity at the National Commercial Bank.

Mr. Sakka holds an MBA from Harvard Business School and BSc (Hons) in Electrical Engineering from King Fahd University of Petroleum & Minerals.



“2014 was a milestone year where SEDCO Capital’s transformation from a family office to a well staffed, well structured, institutionalised and independent asset management company was completed.”

## CEO’s Statement

Hasan Al Jabri

### Dear Shareholders,

In 2014, SEDCO Capital completed its transformation towards becoming an asset manager by directly overseeing a number of in-house regional funds. We are moving away from becoming a manager of managers to becoming a manager ourselves in products and assets classes where we can excel and provide strong returns; for instance in Saudi and MENA equities and Saudi real estate.

The year also saw SEDCO Capital achieve the very significant milestone of becoming a signatory to the United Nations Principles of Responsible Investment (UNPRI). We are the first fully Sharia compliant asset manager in the world to become a signatory, and also the first Saudi company to do so. By end 2014, we had undertaken over USD 850 million in investments as per Environmental, socially responsible & corporate governance (ESG) and UNPRI principles while all our investments remain and will continue to be Sharia driven.

We have been breaking new ground in acquiring and developing our intellectual capital to deliver world class investment services. Of our 59 in-house employees, 33 are dedicated investment professionals that turn market opportunities into sustainable growth and investment vehicles for our clients. I am proud to say that SEDCO Capital has an asset management team that is a market leader in Saudi Arabia, and is setting new standards when it comes to processes, people, diversification and track record.

Despite a year marked by currency fluctuations, oil price depressions and a wavering of private equity in emerging markets, SEDCO Capital consolidated its position with prudent strategies that delivered sustainable growth. We also put into place strategies to account for future market shifts in global markets.

Our GCC strategy delivered growth exceeding market benchmarks by returning a positive Alpha of 1.52 percent, while the Saudi Real Estate Fund also performed very strongly delivering a consistent 7.50% yield.

SEDCO Capital continued its strategy of expanding its investment vehicles by launching the SEDCO Capital GCC Equities fund on the 1st of September 2014.

We have also been active in creating transparent new structures of access to our international real estate assets, facilitating the entry of third party clients in promising US and European markets. Our real estate program has been highly successful. By 2014, SEDCO Capital had successfully executed over USD 1 billion worth of transactions over 3 years.

We explored new business ventures to maximize sustainable returns, with agricultural leasing proving to be a rewarding diversification through 2014. During the year, we also participated for the first time in a number of promising IPOs.

Our international private equity instruments were highly active through 2014, conducting SR 1.4 billion in total transactions. Clients benefited from attractive returns of about 12 percent for the year. In fact, total distributions amounted to SR 414 million, with a healthy realized multiple of approximately 2.5x. We expanded into promising agricultural supply chain investments through the newly launched SEDCO Capital Global Food & Agri Fund, which will be managed in-house. We also looked further afield by conducting extensive due diligence on a co-investment in opportunities in different geographies.

SEDCO Capital’s Luxembourg platform, first launched in 2013, has proved itself as a transparent, well-managed, first class quality Shariah compliant group of products accessible to clients in different jurisdictions. In 2014, two of the world’s biggest banks – UBS and Credit Suisse – signed distribution agreements with SEDCO Capital Luxembourg to distribute our funds to their clients.

In a sign of trust and greater confidence in SEDCO Capital, several clients upgraded from advisory to discretionary asset management. Advisory remains an important service, and there are plans to expand it in the near future.

As we venture into a promising future from a position of strength and stability, SEDCO Capital will further expand its investments in Saudi Arabia, Europe, and also in Asia.

Fundamentally, our desire is to attract not just Shariah compliant customers but also global investors looking for attractive well-balanced opportunities in an ethical investment framework.

In closing, I gratefully acknowledge the oversight and guidance provided by the Capital Market Authority in Saudi Arabia and the Commission de Surveillance du Secteur Financier in Luxembourg. They both have our full commitment in upholding world class compliance standards.

I also thank our shareholders for their commitment, our clients for their trust, and our Board of Directors for their guidance and wisdom. And of course, I extend heartfelt thanks to the SEDCO Capital team for making 2014 a success.

## The Executive Management Team



**Seated from left:** Samer Abu Aker, Hasan Al Jabri, Bernard Caralp  
**Standing from left:** Jamil Hassoubah, Nawaf Jamjoom, Kamran Butt, AbdulWahab Abed and Ahmad A. Badawi

### **Hasan Al Jabri**, Chief Executive Officer

Hasan joined SEDCO Capital in '10. He has over 32 years of banking experience in the GCC region managing senior positions in leading banks including The National Commercial Bank & Samba Financial Group. Mr. Aljabri was also NCBC board member, Managing Director, head of Investment Banking and Chairman of the Funds Board covering all of NCB Capital's 27 mutual funds business.

Mr. Al Jabri is the incoming chairman for the World Presidents Organization's Chapter in the Kingdom of Saudi Arabia and is a founding committee member of Gulf SOL. He is also currently serving as a member of boards and executive committees of several companies in the Kingdom of Saudi Arabia.

Mr. Al Jabri has a B.Sc. in Engineering from the American University of Beirut and is a graduate of the Executive Management Program at Columbia University.

Hasan chairs SEDCO Capital Investment Committee and is Chairman of SEDCO Capital Global Funds and SEDCO Capital Luxembourg Boards.

### **Bernard Caralp**, CIO and Head of Asset Management

With 27 years of experience, Bernard joined Sedco Capital mid '12 as the Chief Investment Officer and Head of Asset Management after having spent 5 years in setting up the investment activities of a Swiss asset management and advisory services company exclusively focused on alternative investments. Bernard began his professional career as an academic (economic and applied mathematics) in France and Belgium before joining the consultancy arm of PwC in Luxembourg in '95 as a director in charge of Financial Institutions. He moved to Dexia Asset Management (Luxembourg then Switzerland) in '01 to become their Chief Economist / Head of Strategy.

Mr. Caralp has 2 masters (economy and applied mathematics) and a Ph-D in quantitative economy as well as a degree in sport training.

Bernard is a member of SEDCO Capital's Investment and Product Development Committees.

### **Samer Abu Aker**, Chief Operating and Finance Officer

Samer joined SEDCO Capital in '11 after 4 years as COO of Al Brooge Securities in Abu Dhabi. Samer is a Certified Public Accountant with over 16 years experience in middle and executive level management acquired through various roles in international financial institutions and investment banks such as Lite Speed Management, LLC. And Bank of New York, Bermuda. Mr. Abu Aker is a graduate specializing in accounting of Brock University, Ontario, Canada.

Samer is a Conducting Officer of SEDCO Capital Luxembourg. He is also a member of SEDCO Capital's Investment and Product Development Committees as well as its Risk and Compliance Committee.

### **Nawaf Jamjoom**, MD, Acting Head of Product Development

Nawaf is an acting head of the Product Development Department for SEDCO Capital. He joined SEDCO in 2005 into their management training program and developed experience in Islamic Finance, Asset Management, and Product Development.

Nawaf has a BA & ME in Industrial and Manufacturing Engineering from the University of Missouri as well as an MBA with concentrations in Finance and Marketing from American University in Washington DC. He is currently a member of SEDCO Capital's Product and management Committees.

### **Ahmad A. Badawi**, Head of Compliance, AML, and Shariah Monitoring

Ahmad joined SEDCO Group in 2008 with 13 years career in Internal Audit. He currently heads the Compliance and AML and Shariah Monitoring function at SEDCO Capital and assumes the responsibility of the Money Laundering Reporting Officer. He is a Non-Voting member in SEDCO Capital's Investment Committee and is a member of the Products Development Committee as well as the Risk & Compliance Committees. Additionally, he assumes the secretarial function of SEDCO Capitals General Assembly meetings, SEDCO Capital Board of Directors, the Investment Committee, the Audit Committee, and the Risk & Compliance Committee.

Ahmad holds a bachelor degree in Finance from King Fahd University of Petroleum and Minerals.

### **Jamil Hassoubah**, MD, Business Development

Jamil joined SEDCO Capital in 2014 as Head of Business Development and Client Relations. Prior to working at SEDCO Capital, Jamil has an impressive 24 years experience with SABB, where he went through various positions and duties

Nationally and Internationally from 1991 to 2014. A certified personal financial planner, wealth management officer and an investment advisor.

Jamil has started his career as a staff officer within the branch network and based on the high performance levels, skills and capabilities he was promoted and moved up within the bank covering various tasks and positions (branch network, corporate banking, operations and private banking). His last position held at SABB was the Head of International Standards and Special projects in the Head Office besides handling some major roles abroad simultaneously. Jamil holds a Higher Diploma in Meteorology from KAU, Jeddah.

### **Kamran Butt**, MD Head of Client Advisory and International Sales

Kamran Butt joined SEDCO Capital in September 2014 and heads the client advisory and International sales, previously he was based in Geneva, Switzerland as the head Investment Strategist of advisory and sales for Credit Suisse. He was also based in Dubai for Credit Suisse where he was Head of Private Banking research. Kamran was a member of the Credit Suisse Regional Investment committee (EEMEA) and was Chairman of Credit Suisse Product committee (Middle East). Prior to this he headed the European Equity research for Louis Capital (Hedge Fund advisory) in London, analyzing multi strategy trading. With over 18 years in the industry, Mr. Butt held a number of senior positions at UBS, Dresdner Kleinwort Wasserstein, as well as Nomura International. Kamran has a BSc in Economics at Queen Mary college, University of London.

Kamran is a member of SEDCO Capital's Investment and Product Development Committees as well as the Management committee.

### **Abdulwahhab Abed**, Acting Head of Corporate Finance

Abdulwahhab Abed is the Acting Head of Corporate Finance of SEDCO Capital. He has been working with the company for the last 8 years. Prior to becoming the Acting Head of Corporate Finance, Abdulwahhab was the Vice President and Director of Private Equity, responsible for both investing in funds and in co investments across the globe.

He was part of the team that manages about 100 private equity investments and has immense experience in private equity investments' due diligence, monitoring and exiting co investments. He is also in the investment committee of SEDCO Capital Partners Group co investment fund. He graduated from McCallum Graduate School of Business, Bentley College (MBA – Finance).

SEDCO Capital delivers institutional grade investment advice through its Advisory arm. It also offers individualized Discretionary Portfolio Management (DPM) services that take into account investors' risk profiles and expected returns to calibrate the right investment mix. By the end of 2014, the company had USD 33 million in assets under DPM, and had expanded its private placement activity to create specialized investment strategies.



Discretionary Portfolio Management  
Advisory

## Discretionary Portfolio Management

SEDCO Capital's Discretionary Portfolio Management (DPM) services expanded significantly in 2014 in a testament to the company's sound market reputation.



SEDCO Capital's Discretionary Portfolio Management (DPM) services expanded significantly in 2014, with a number of clients upgrading from advisory to DPM in a testament to the company's sound market reputation.

Market trends during the year indicated a preference among institutional investors and High Net Worth Individuals (HNWI) towards personalized DPM services instead of general funds. Accordingly, SEDCO Capital's DPM capabilities significantly expanded individualized management services for clients based on risk profiles and expected returns. DPM services were enhanced through tailor-made investment strategies, proactive portfolio management and a competitive fee structure.

A number of new investment instruments were launched to facilitate discretionary investments in global public equities. An ethical defensive equity strategy with a value tilt was created to focus on large and mid cap healthcare and consumer staples. Another strategy explored ethical and secular investments prioritizing sustainability and resource optimization.

SEDCO Capital Luxembourg platform saw the launch of a flagship SEDCO Capital GCC Equities strategy in September 2014, and followed by three concentrated DPMs in high conviction stocks for key clients investing in regional markets. DPM services for the GCC Equities strategy delivered excellent performance in the face of market volatility compared to competing offerings.

Meanwhile, SEDCO Capital also expanded its private placement fund activities to deliver specialized investment strategies based on risk return profiles and target allocation. As of December 2014, SEDCO Capital had assets worth USD 33 million under DPM, with a growing client base and increasing revenue.

In a sign of the importance of regional real estate to SEDCO Capital's DPM portfolio, a dedicated regional real estate team was spun off to satisfy strong market demand. In 2015, SEDCO Capital's DPM capabilities will see an increase in its regional portfolio with a focus on equities and real estate, so as to leverage SEDCO Capital's strong market reputation and expertise in these sectors. Ethical investing and compliance will remain a core focus, with full integration of these approaches within the investment process.

## Advisory

The Advisory function evolved world class processes to offer institutional grade investment advice, and became a trusted partner for clients' investment needs regionally and internationally.



Clients benefitting from SEDCO Capital's Advisory function construct their own portfolios from SEDCO Capital's investment products, backed by SEDCO Capital's investment team's insights, market intelligence and support. The Advisory team offers clients advice on global financial markets. It also constructs and manages client portfolios, creates asset allocations based on client investment risk profiles, and offers relationship managers a holistic view of global markets.

In 2014, the Advisory function evolved a world class advisory process offering institutional grade investment advice to its clients. Advisory's goal through the year was to be a trusted supporting partner for clients' investment needs regionally as well as internationally.

In line with this objective, SEDCO Capital's Advisory arm shared greater market intelligence with clients by publishing the SEDCO Capital Global Market View report. Internally, the team published Shariah Asset Allocation profiles for use in client portfolios.

Through the year, the department conducted an outreach programme and branched into Malaysia, establishing constructive dialogue with public and semi-public entities, Shariah compliant asset managers and Islamic banks. Simultaneously, the department forged new links with government related entities and financial institutions in the GCC area.

While a number of SEDCO Capital clients have moved from advisory to more comprehensive discretionary portfolio management, Advisory remains a key component of SEDCO Capital's investment services. The Advisory arm is expected to expand aggressively as new clients come on board in 2015.

SEDCO Capital has put in place world-class compliance procedures and expanded investment activity in private equities, public equities and real estate. Regional liquid investments were placed under the remit of a dedicated regional assets team, while a new team was also created specifically to focus on regional real estate. Exciting investment opportunities were offered to third party investors across diverse asset classes and geographies.



## Real Estate

- Regional Real Estate
- International Real Estate

## Liquid Strategies

- MENA Liquid Strategies
- International Public Equities

## International Private Equities

## Regional Real Estate

A dedicated regional real estate team was put in place and attractive investment products created using investor capital backed by a strong management function and accurate risk analysis.



2014 saw SEDCO Capital's management create a dedicated team to manage regional real estate as a sign of the importance of the regional portfolio. SEDCO Capital management identified regional real estate, and in particular the Saudi real estate market, as an attractive asset class for investors. Accordingly, Sherif Selim was appointed to head the business and manage existing funds in-house while also focusing on launching attractive new ones.

Through the year, the regional real estate team catalysed new investment products using investor capital backed by a strong management function and accurate risk analysis.

SEDCO Capital's regional real estate investment program began in 2011 through the acquisition of the Khalideya Business Centre. By end of 2014, the portfolio comprised 8 assets across Jeddah and Riyadh managed via the in-house SEDCO Capital Real Estate Income Fund I (SCREIF I). By year end, the fund had reached a total portfolio value of approximately SR 596 million, demonstrating an asset value appreciation of 3.8 percent since inception.

The SCREIF I core/core plus fund performed strongly in 2014 as a result of the regional real estate team's aggressive asset management. It returned a 7.5 percent distribution to investors, which was 0.5% above targeted returns. This aggressive asset management style is expected to show further results in 2015.

Investor appetite for Saudi Arabian and regional real estate assets, combined with demand for SEDCO Capital's asset management services, led to a focus on quality income

generating assets across Saudi Arabia. The team acquired Burj Al Hayat in Riyadh's Al Olaya District for SR 40 million in December 2014, representing a healthy cap rate of 8 percent. These moves are expected to consolidate SEDCO Capital's position as a best in class real estate investor manager in the MENA region.

The regional real estate team also bolstered SEDCO Capital's discretionary management capabilities by creating separate account offerings driven by specialized investment strategies for individual investors based on risk return profile and specific allocation. The tailored new offering is expected to expand SEDCO Capital's client base and facilitate market penetration.

Emphasising the importance of regional real estate, the new team bolstered its ranks by recruiting three new members. The additions are expected to deliver further momentum to SEDCO Capital's regional real estate offerings and in-house management capabilities.

2015 is expected to be a year of acceleration for SEDCO Capital's regional real estate business. The team will add another senior member, who will join in March 2015. The separate account business is expected to grow with the addition of an international institutional investor to participate in a Saudi Arabia-focused real estate portfolio.

## International Real Estate

SEDCO Capital's international portfolio was expanded through opportunistic investments in UK and US markets, while favorable sales were completed to generate robust returns.



The international real estate team engaged in the active management of a diverse portfolio of retail, office, multifamily, industrial and healthcare assets through 2014. The international portfolio was expanded through opportunistic investments, while favorable sales were completed to generate robust returns.

The year saw a tilt towards UK and US markets, with 4 new attractive acquisitions in those markets. These included the British School of Houston, Texas, USA; Colne Valley Retail Park, Watford, UK; Blakelands Industrial Estate, Milton Keynes, UK; and Orchard Park of McKinney, Dallas, USA. These real estate assets offered the advantage of being income generating propositions as opposed to stationary land banks.

On the other hand, successful asset sales were concluded in the UK, Malaysia, Mexico, China and Lebanon. The sale of the Seri Bukit Ceylon Serviced Apartments in Malaysia generated proceeds of over USD 8.5 million, offering a robust ROE of 66 percent and an IRR of 15.8 percent. Land sales in Lebanon generated another USD 5.5 million, while also earning an IRR of 15.8 percent.

In 2014, the team successfully managed and exited from the 20 year old Palimilla golf resort community investment in Los Cabos, Mexico. The exit required the management of challenging conditions that the team overcame by reducing operational costs, delivering finished lots to customers, and settling legal affairs. The end result was a portfolio consolidation focusing on asset quality.

The international real estate arm enhanced the operations of its German real estate portfolio by improving vacancy rates and operational efficiency. The portfolio was refinanced at favorable terms through lenders to improve overall performance.

In a move to strengthen global reach and credibility, SEDCO Capital's international real estate arm formed a number of strategic partnerships and manager relationships with leading global institutions that include the CBRE Global Investors in Asia Pacific, and Palmer Capital in Europe.

In plans extending into 2015 and beyond, SEDCO Capital's international real estate arm will implement a two pronged strategy to capitalize on its strong asset base while offering clients superior product offerings based on defensive non-cyclical play, inflation-hedged growth and demographic driven acquisitions. The team will also focus on delivering high global returns by taking advantage of mispricing in distressed markets, and by developing attractive projects in underserved markets. New markets in Asia and Australia will actively be explored, with the aim of offering clients attractive risk-adjusted returns in growth markets.

## MENA Liquid Strategies

SEDCO Capital assembled a dedicated MENA liquid strategies team and launched the high performance GCC Equities Strategy. By end 2014, the fund had been populated by USD 35 million and had generated an Alpha of 1.52.



## International Public Equities

New products were launched on SEDCO Capital's Luxembourg platform to cater for investor demands. 4 new funds were brought to UNPRI compliance, taking the total of compliant funds to 7.



In 2014, SEDCO Capital set up a dedicated regional liquid assets team to handle MENA public equities and income mandates, with the lead fund manager supported by 3 equity analysts and an income analyst. During its first year of operation, the team focused on capability building and launching its flagship SEDCO Capital GCC Equities Strategy.

The Shariah compliant MENA focused GCC Equities Strategy was launched in September of 2014 to broad investor interest, and was closely followed by the launch of three Discretionary Portfolio Management (DPM) products focusing on high conviction stocks for clients in regional markets.

By the end of 2014, the SEDCO Capital GCC Equities Strategy had been populated with USD 35 million of investor money, and had outperformed its benchmark to create a positive Alpha of 1.52 in a year of stiff performance competition. The strong performance saw it rank well among competitors, coming in 8th on a list of the 25 funds investing in the regional equities space.

While there was a focus on fund raising and DPM offerings through 2014, the regional portfolio was also expanded. In June of the year, the team added an Arab market equity fund worth USD 6.8 billion under an investment management agreement mandate.

Operationally, the regional liquid assets team set up a robust portfolio management system for responsive and results driven management, and also set in place a Shariah compliance framework. Each fund now has

Shariah compliance measurements that are updated every month. Standardized monthly reporting systems were also implemented, and a number of monthly fund fact sheets issued. A framework was established to conduct monthly portfolio analytics for better reporting and performance tracking.

2014 proved sound for fund raising, with USD 79 million raised through the year. As of December 2014, assets worth USD 33 million were under discretionary management, with another USD 41 million invested in funds. The number of high net worth clients rose to 5 during the year. Overall, the regional liquid assets team generated profits worth around SR 1.36 million in its first year of operation. The team broadened also regional market reach by opening accounts with 6 brokers to help obtain research notes and competitive quotes.

In 2015 and beyond, the newly formed MENA liquid assets team will focus on delivering strong performances within stipulated investment guidelines. The Assets Under Management (AUM) portfolio will be grown to USD 100 million by targeting sovereign wealth funds and institutional investors. On the personnel front, a credit analyst will be added to expand the team. New products are also planned, including a high dividend yield fund for regional equity markets.

SEDCO Capital's international public equity investments fall under the ambit of the international liquid assets team, which is also responsible for income assets, commodities and real estate equities. In 2014, the main focus of the team was on monitoring extant funds while exploring new complementary strategies.

Rigorous performance reporting and due diligence were core themes in 2014, aimed at ensuring all funds performed to world class fund selection processes. Specifically, the international liquid assets team conducted full due diligence on the SC Durable Demand Strategy, SEDCO Capital Core Diversified Strategies strategy, SEDCO Capital GCC Equities Strategy and also the SEDCO Capital Sustainable Equities Strategy.

To generate favorable investor outcomes, the team also initiated a cyclical strategy of asset allocation based on nowcasting approaches to manage liquid portfolios actively within agreed allocations and parameters.

The year also saw the launch of four new strategies to cater to various investor parameters. The SC Durable Demand Equity Strategy was created to provide a defensive approach with a value tilt while investing in large and mid cap healthcare and consumer staples. An SR 130 million multi asset class strategy was launched to invest in diversified liquid assets backed by active allocation. Later in the year, the international liquid assets team launched the SC Sustainable Equities Strategy that focuses on secular investments for sustainability and resource optimization.

Meanwhile, a focus on ESG investing continued apace, with SCGF strategies becoming UNPRI compliant through 2014 to take the total to 7. The international liquid assets team also set in place a robust framework for Shariah compliance, which requires each fund to submit a monthly Shariah report. Guidelines are being updated, and the Shariah manual finalized in collaboration with SEDCO Capital's Compliance Office.

ESG strategies were complemented by better performance reporting through daily sheets. The team also furthered its discretionary management capabilities by using the Bloomberg platform to create portfolios for key clients, thereby facilitating better performance and risk reporting. In a further layer of reporting, a quarterly portfolio analytics framework was also established.

On the personnel front, a new real estate equity manager was hired to occupy an existing post. All members of the international liquid asset team are Saudi nationals performing to global standards, which is a testament to SEDCO Capital's commitment to finding and developing world class local talent.

In 2015, the team will launch its first in-house managed Global Equity fund, which will rely on a Smart Beta approach that takes advantages of market inefficiencies and imbalances to generate returns. The year will also see an increase in the team's Assets Under Management (AUMs).

## International Private Equity

SEDCO Capital's private equity portfolio returned a healthy 12 percent to clients in 2014, and created SR 1.4 billion in transactions, SR 665 of which came from new commitments.



2014 was a successful year for SEDCO Capital's private equity arm despite market volatility. The team continued its strategy of investing in primary funds and creating co-investments with partners. It also strengthened its European investments, which had been facing challenges due to an extreme dearth of Shariah compliant funds. This European gap is being addressed through the selection of small and mid-cap growth managers.

SEDCO Capital's private equity investments saw robust growth in 2014. 8 new deals were closed, with 2 new strategic joint ventures in different regions and industry sectors. Total transactions for the year totaled SR 1.4 billion, SR 665 million of which came from new commitments. Overall, SEDCO Capital's private equity portfolio returned a healthy 12 percent to clients in 2014, exceeding market performance.

Opportunities in agriculture and farmland were explored through new instruments. A new opportunity was designed to invest in the agrarian supply chain, thereby mitigating the risks of directly investing in farmland. This helped SEDCO Capital's private equity arm offer investors exposure to a rewarding sector without significant associated risk.

A co-sponsored strategy investing in timber was launched in association with BTG Brazil. The strategy is Shariah compliant and also based on UNPRI standards. In a historical first, the same strategy caters to Shariah investors as well as to non-Shariah ethical investors.

The private equity arm continued acquiring and developing world class talent as part of its human capital strategy. A new Vice President was recruited, and a new analyst hired to strengthen the primary funds and co-investments team. In a bid to disseminate expertise across departmental boundaries, the Private Equity team conducted an intensive in-house training program for SEDCO Capital on how to read the Private Placement Memorandum (PPM) of a primary fund. Separately, rigorous training was conducted for new hires in 2014.

Market volatility made exits difficult through the year. However, the team took advantage of key windows of opportunity to make lucrative exits that generated a 2.5x multiple. Emerging markets such as Brazil also posed challenges due to slow growth, but portfolio diversification mitigated this concern.

In 2015, the private equity team will maintain its momentum. Two new mandates currently under negotiation will be finalized, and a new team recruited to handle these mandates. The SEDCO Capital Partners Group Fund is expected to become fully deployed, while other opportunities are expected to attract new investor capital.

## Management Review



- Business Development
- Asset Allocation
- Market Risk Management
- Environmental, Social and Governance (ESG)
- Compliance, AML and Shariah Monitoring
- Operations
- Research
- Product Development
- Income Strategies
- Marketing
- Awards and Events

## Management Review

Risk was effectively quantified and priced, and new relationships were built with high net worth investors. The SC Core Diversified Strategy fund showcased SEDCO Capital's asset allocation abilities.



### Business Development

SEDCO Capital's Business Development function creates new business opportunities by reaching out to high potential investors. In 2014, the department performed robustly in its remit despite high market volatility. In line with local investor appetite for real estate, the department saw increased activity in the sector. A new Head of Business Development was also recruited in September 2014 to enhance the function's capabilities.

The business development strategy evolved through the year to target High Net Worth Individuals (HNWI) investors due to shorter deal closing timeframes. However, robust relations with big-ticket institutional investors were maintained and even enhanced. External market conditions were in part mitigated through a drive to create new client friendly products, and moving to a sophisticated client relationship management model. Process flow and infrastructure were also aligned to match future growth plans, with processes standardized throughout SEDCO Capital. A strategy of diversification and careful asset allocation was followed to buffer market fluctuations.

Despite extraneous challenges, all new products and funds launched by SEDCO Capital through 2014 met or exceeded growth and return targets. Business development through the year was facilitated by SEDCO Capital's strong market reputation with individual investors as well as financial institutions.

The future will see the Business Development function focus on raising funds for the Luxembourg platform by raising awareness among investors and also conducting in-house product training. There will also be a focus towards driving interested clients to the high quality Discretionary Portfolio Management (DPM) services offered by SEDCO Capital which in 2014 returned an Alpha of 1.52 percent.

### Asset Allocation

SEDCO Capital's Asset Allocation team sets investment strategies that balance risk and return by carefully selecting the exposure to each asset class within an investment portfolio. The process is highly dependent on clients' risk profiles, time frame and expected returns, and is adjusted periodically.

SEDCO Capital's Asset Allocation is defined by the office of the Chief Investment Officer (CIO), in collaboration with the Head of Research and Head of Advisory. In 2014, diversification remained a key driver in the face of market volatility, with exposure to each asset class carefully assessed by taking risk and reward considerations explicitly into account.

The Asset Allocation function also played an active role in the functioning of the SC Core Diversified Strategy, launched by SEDCO Capital in 2014. This multi-asset classes product sees allocations conducted as per a proprietary process overseen by the SC Cyclical Asset Allocation Committee that relies on inputs including fundamentals, valuation,

market sentiments and risk embedded within a scoring system. These allocations are subject to quarterly revisions to take market movements into account. The SC Core Diversified Strategy has become a flagship product for SEDCO Capital, and a showcase of the company's asset allocation abilities.

### Market Risk Management

SEDCO Capital introduced an in-house Market Risk Management function in 2014, led by the Head of Research and Risk Management. This was the first time that SEDCO Capital formalized its internal risk management capabilities to effectively deliver risk assessments for in-house and external funds.

Since inception, the Market Risk Management function has introduced a host of new processes to effectively quantify and price risk. The Bloomberg PORT risk management system was implemented for liquid assets, particularly the funds on SEDCO Capital's Luxembourg platform. In a significant achievement, this implementation was achieved through zero incremental costs to the business.

Market risk management processes were also formalized for all asset classes. A risk manual was created for internally managed equity funds such as the SC GCC Equity Strategy, with portfolio managers communicating with risk consultants for effective portfolio construction. Quarterly risk reviews were implemented for externally managed funds, and the Market Risk Management team commenced the delivery of detailed Risk Dashboards to internal stakeholders.

During 2014, the Market Risk Management arm also conducted detailed risk evaluations on the liquid portfolios of key SEDCO Capital clients in a move that enhanced the company's ability to create and manage customized DPM solutions for core investors. In 2015 and beyond, the Market Risk Management team will play an important role in evaluating risk for new internally managed products and separate accounts.

## Management Review

SEDCO Capital became the first global Shariah compliant asset manager, and the first Saudi Arabian company, to sign the United Nations Principles of Responsible Investment (UNPRI).



In line with a growing emphasis on Shariah compliance, the department created a dedicated Shariah Monitoring Unit tasked with ensuring that SEDCO Capital's asset management processes were in line with Islamic guidelines.

### Environmental, Social and Governance (ESG)

SEDCO Capital reaffirmed its market leadership in ethical investing in 2014 by positioning an attractive portfolio to serve responsible investors, both Shariah compliant and otherwise. In 2014, Environmental, Social and Governance (ESG) guidelines issued by the Research department played a formative role in creating formal compliance with ethical investing as a continuation of SEDCO Capital's Shariah principles.

2014 saw SEDCO Capital become the first global Shariah compliant signatory to the United Nations Principles of Responsible Investment (UNPRI), and also the first Saudi Arabian company to sign on. By year end, over USD 850 million in investments was managed in responsible and Shariah compliant funds.

During the year, SEDCO Capital also commenced work on its first annual report to the UNPRI, and a white paper comparing Shariah compliant and responsible investing. Responsible investment processes were implemented for all asset classes, and an in-house Responsible Investment Policy created. The policy was formally approved by the SEDCO Capital Investment Committee, and has started informing all SEDCO Capital investment processes.

The catalysis of in-house knowledge and expertise continued with in-house training for the asset management team on responsible investing and the implementation of responsible investing in all SEDCO Capital processes. The ESG department's robust performance also saw SEDCO Capital enter the final round of the Ethical Finance and Innovation Challenge and Awards for 2014. In 2015, responsible investing procedures will remain a mainstay for SEDCO Capital and its ESG arm.

### Compliance, AML and Shariah Monitoring

SEDCO Capital's Compliance, Anti Money Laundering (AML), and Shariah Monitoring division is responsible for ensuring continuous regulatory compliance across the entire business. It maintains a strong relationship with the Capital Market Authority (CMA) for external compliance while collaborating with SEDCO Capital Management to develop control mechanisms. It serves as a liaison that helps translate CMA suggestions into internal actions. It also helps prepare SEDCO Capital's response to regulatory changes, and ensures these are communicated and implemented as necessary.

In 2014, the department enhanced Shariah compliance across the business while monitoring and reviewing Shariah processes and guidelines. In line with a growing emphasis on Shariah compliance, the department created a dedicated Shariah Monitoring Unit tasked with ensuring that SEDCO Capital's asset management processes were in line with Islamic guidelines. Comprehensive policies, procedures and frameworks were put in place for this new unit.

During the year, the Compliance, AML and Shariah Monitoring division bolstered its capabilities by recruiting a Compliance and AML manager. In a move to create greater integration and process unification, the team actively engaged with other SEDCO Capital departments to enhance governance and controls. On the process front, 2014 saw the division introduce the Bloomberg Portfolio Management System and CS Direct Net to monitor compliance for SEDCO Capital's internally managed portfolios and funds.

In 2015, the division will expand its operations and continue its oversight activities to ensure SEDCO Capital investments are in line with Capital Market Law, CMA regulations, Shariah guidelines and other regulatory requirements.

### Operations

SEDCO Capital's Operations department oversees the company's relations with banks and financial institutions locally, regionally and globally. It is also responsible for implementing policies and procedures for all SEDCO Capital departments and divisions, and producing financial reports and monitoring structures.

In 2014, the department helped enhance SEDCO Capital's relations with financial institutions across the globe. Internal systems of reporting were enhanced, and policies revamped for cost control and monitoring with the aim of streamlining business and adhering to world class industry practices.

Efforts by the Operations team in conjunction with other divisions saw the successful implementation of the FATCA (Foreign Account Tax Compliant Act) at SEDCO Capital. Client screening was also refined to ensure compliance with "Know Your Customers" (KYC) regulations.

The year saw the Operations team continue its focus on attracting, developing and retaining the best manpower in the industry to provide SEDCO Capital with competitive advantage. Management, business and support teams were strengthened with the appointment of qualified and experienced investment professionals.

During 2014, the Operations department invited global bank Credit Suisse to nominate a third party consultant for independent reviews of the SEDCO Capital Global Fund. Consolidated reporting from an independent administrator created greater transparency and credibility for SEDCO Capital's core clients.

The Operations department also played a key role in enabling the Bloomberg platform for SEDCO Capital's equity funds, with SWIFT functionality used to confirm trade operations. In a demonstration of its Operations capability and well structured internal processes, SEDCO Capital managed one of the fastest Bloomberg SWIFT-STP implementations in the Middle East.

The launch of the SEDCO Capital GCC strategy for public equities required a retooling of Operations' mandate in order for it to handle daily trade confirmations, valuations, and liaising with administrators. In a departure from the regional norm, the SEDCO Capital GCC Equities Fund uses multiple regional and international brokers to offer its investors more research, accessibility to block trades, better primary market opportunities such as IPOs, and superior commission pricing. The Operations Department plays a fundamental role in coordinating and liaising with these brokers and other stakeholders.

Other key initiatives during 2014 included the implementation of periodical training for Business Continuity Management, and enhanced investment risk reporting.

In 2015, the Operations function will be involved with the launch of the Money Market Strategy, a unique SEDCO Capital product that will take the company into money markets for the first time. Operations will retool its mandate and upgrade its skills to support this move. The near future will also see team capability enhancement through cross training, and upgrades to work flow and operational procedures for funds and various asset classes. Shariah compliant FX hedging options with local banks will also be explored to limit foreign currency exposure for managed assets.

## Management Review

SEDCO Capital created robust internal asset management capabilities, and launched world class investment instruments to facilitate third party investor participation.

Our Smart Beta strategy capitalizes on market inefficiencies and premium imbalances to generate strong results with low risk profiles.



### Research

SEDCO Capital continued the creation of robust internal capabilities for effective asset management by forming a dedicated Research function in March 2014. The department supports the investment process through top down and bottom up investment research, portfolio analytics and new product initiatives.

The newly created research arm has developed a systematic Smart Beta process based equity strategy that offers long term investors an efficient, liquid, diversified and low cost approach to enhancing their risk-return profile. The Smart Beta strategy capitalizes on market inefficiencies and premium imbalances to generate strong results with low risk profiles.

Through its Research arm's Smart Beta strategy, SEDCO Capital is broadening its internally managed products while creating greater flexibility in top down asset allocations. The Research team helps SEDCO Capital offer investors risk adjusted returns that aim to significantly outperform benchmarks.

Through the year, Research also developed innovative investment ideas such as the index-agnostic Equity Alpha strategy, and a Shariah compliant event driven strategy that makes investment decisions based on public filing information. These strategies will come into effect in 2015 and beyond, delivering capability boosts to SEDCO Capital's asset management services.

2015 and onwards will also see the Smart Beta Strategy launched as a discrete product that can be flexibly adapted to market benchmarks. This strategy will inform investments in emerging Asian market funds as well as US and European mid cap equity index funds. Investor interest will provide a litmus test for the launch of other initiatives including the Shariah compliant event driven approach.

### Product Development

SEDCO Capital's Product Development team is responsible for formulating attractive investment instruments to attract investor interest, and working with Business Development to introduce appealing products to market. The Product Development builds on market opportunities for third party investors identified by the Asset Management, and creates world class investment instruments to facilitate investor participation.

The team handles the documentation and presentation for each SEDCO Capital fund, and is also responsible for structuring, documentation, and tax reviews. All funds open to third party investors fall under the Product Development ambit, and are regularly overseen in terms of documentation and compliance with local regulations of the market they are based in.

In 2014, Product Development assisted in the development, documentation and presentation of funds exploring exciting market opportunities in global private equity and regional public equities. A new fund was created to invest in Saudi Arabian public equities under the existing GCC Equities Fund platform. A global private equity fund was launched to gain exposure to agricultural assets by investing in the supply chain. Preparatory work was put into a fund focusing on income generating money markets and Shariah compliant Murabaha instruments. A real estate fund was also formulated to take advantage of attractive Jersey structures to invest in international assets. This was part of an overall thrust towards more attractive and better regulated global jurisdictions that are attractive to investors.

During the year, the team added new expert capacity in legal, project management and product development streams. There was a focus on making funds accessible to individual and

family investors by offering robust information in transparent and approachable ways. The department also standardized the process of introducing new investment instruments on existing platforms, substantially reducing time to market.

In 2015 and beyond, the Product Development team will explore forays into new asset classes, money markets and commodities. The team is also looking to diversify SEDCO Capital's real estate private equities by investigating rewarding development projects.

### Income Strategies

SEDCO Capital's Income Strategies team is an important addition to the company's portfolio. The team's remit is to invest in income generating investment instruments such as Shariah compliant bonds and securities, and advise and monitor these income securities purchases.

In 2014, the Income Strategies arm focused on capacity building and capability enhancement in preparation for significant fund launches and expansion. A dedicated team was assembled, and an assistant portfolio manager put into place. On the process front, the team operationalized the Bloomberg platform to deal in Shariah compliant securities and Murabaha instruments. Monitoring for jointly managed income funds was tightened and improved.

At the same time, substantial groundwork was laid for forays into money markets and Shariah compliant income markets. By end 2014, the team was in the late stages of launching an in-house money market fund, and had finished preparations

to file with regulating bodies. This money market fund will offer an important diversification and liquidity management tool for SEDCO Capital's clients.

During the year, the Income Strategies team also began restructuring an extant income fund, and initiated the process of in-sourcing and restructuring another jointly managed fund that offers one of the largest Shariah compliant income mandates in the world.

In the near future, the Income Strategies team will launch two internally managed income funds, and raise investor funds for these instruments. It will expand its network of counterparties and brokers to increase global coverage while meeting robust relative performance targets set against market benchmarks.

## Management Review

The Marketing department played a role in generating goodwill, investor interest and brand awareness while building knowledge platforms for sharing industry expertise. It facilitated SEDCO Capital's participation in premier finance and industry events globally.



### Marketing

SEDCO Capital's marketing function plays the important role of communicating the company's vision, mission and key messages to a broad base of stakeholders and a global audience. In doing so, it catalyzes legitimacy, brand awareness and goodwill for SEDCO Capital, which correlates significantly with investor interest and confidence.

In 2014, the department played an effective role in introducing SEDCO Capital to the European market while enhancing awareness about the company's Luxembourg platform.

In particular, the platform was marketed to Swiss investors. Marketing also played a role in defining and disseminating SEDCO Capital's investment philosophy, and focusing on the company's responsible investment credentials. It regularly highlighted SEDCO Capital's position as a market pioneer in Shariah compliance and ESG, and helped ensure that stakeholders were aware that the company was the first in Saudi Arabia, and also the first Shariah complaint asset manager globally, to sign up to the United Nations Principles of Responsible Investment (UNPRI).

Through the year, the Marketing function also played a key role in getting SEDCO Capital's senior decision-makers to speak at industry events in the interests of knowledge dissemination.

Sustainability remained a topic in focus for SEDCO Capital in 2014, with SEDCO Capital's CEO Hasan Al Jabri delivering a keynote address at the Geneva Forum for Sustainable Investment on bridging the gap between Shariah and ESG. He repeated his message at the Zurich Forum for Sustainable Investment the same year. In Dubai, Al Jabri was asked to address the future of Islamic finance at the Global Islamic Economic Summit, and did so in a speech discussing the broader ethical framework informing the area.

SEDCO Capital's CIO and Head of Asset Management Bernard Caralp was invited to Dubai's Fund Forum Middle East, where he highlighted SEDCO Capital's asset management expertise in an insightful discussion on the capabilities of institutional asset owners. Caralp was also part of a panel discussion on alternative investments at the Investors Conference 2014 in Manama, Bahrain.

Locally, SEDCO Capital's experts discussed Saudi Arabia's investment management sector at MISYS Thought Circle 2014 in Riyadh, and were present at the Islamic Finance Students' Organization Meeting. Senior SEDCO Capital team members imparted expert knowledge about the legal elements of Islamic finance at the IEI Executive Program with KAA University Panel on Legal Elements of Islamic Finance 2014, and also at the CMA Committee Meeting in the city.

A senior SEDCO Capital delegation was part of the World Islamic Economic Forum held in Dubai in October 2014. The forum was an excellent opportunity for SEDCO Capital to contribute to a high level platform involving global government leaders, captains of industries, academic scholars, regional experts, professionals, corporate managers, policy makers, innovators, business leaders and investors to discuss opportunities for business partnerships in the Muslim world. The event, attended by over 2,500 participants, was a catalyst for high level exchanges that generated industry knowledge on the dynamics of global business.

SEDCO Capital's Marketing arm also helped put together SEDCO Capital's own "Windows on Markets – Winter 2014" conference, featuring international speakers and attended by over a 100 delegates. Four global fund managers joined Al Jabri in disseminating crucial market insights through engaging keynotes, Q&As and panel discussions. The result was a high-powered discussion that helped improve market intelligence for all delegates while cementing SEDCO Capital's reputation as a global, world-class asset manager.

The Windows on Markets also saw its debut in Europe with the "Windows on Markets – June 2014" series held in Zurich and Geneva. The series' theme revolved around "Asset Allocation Diversity; Shariah and ESG" and the conferences were attended by representatives from the top banks and private family offices in Switzerland.

These activities translated into robust coverage of SEDCO Capital's activities across local and international media in a number of languages, generating quantifiable awareness of the SEDCO Capital brand

## Awards and Events

SEDCO Capital's strong market performance and robust asset management capabilities have resulted in a number of industry recognitions, accolades and awards.



SEDCO Capital has been the recipient of prominent industry awards, such as:

- Global Islamic Finance Award 2012 – Best Islamic Fund Manager
- KLIFF Islamic Finance Award 2012 – Most Outstanding Contribution to Islamic Finance
- Private Equity World Awards MENA – Best New Private Equity Fund
- Private Equity World Awards MENA 2011 – Best New Private Equity Fund
- Global Islamic Finance Award 2013 – Islamic Social Responsibility Award
- Global Islamic Finance Award 2013 – Islamic Finance Personality of the Year Award
- Islamic Economy Award 2013 – Islamic Funds
- WIFFMC Awards 2013 – Islamic Investment Institution of the Year
- Corporate Council 2014 – Middle East Innovation Award



Islamic Economy Award  
Best Fund Manager



Global Islamic Finance Award  
Islamic Social Responsibility Award