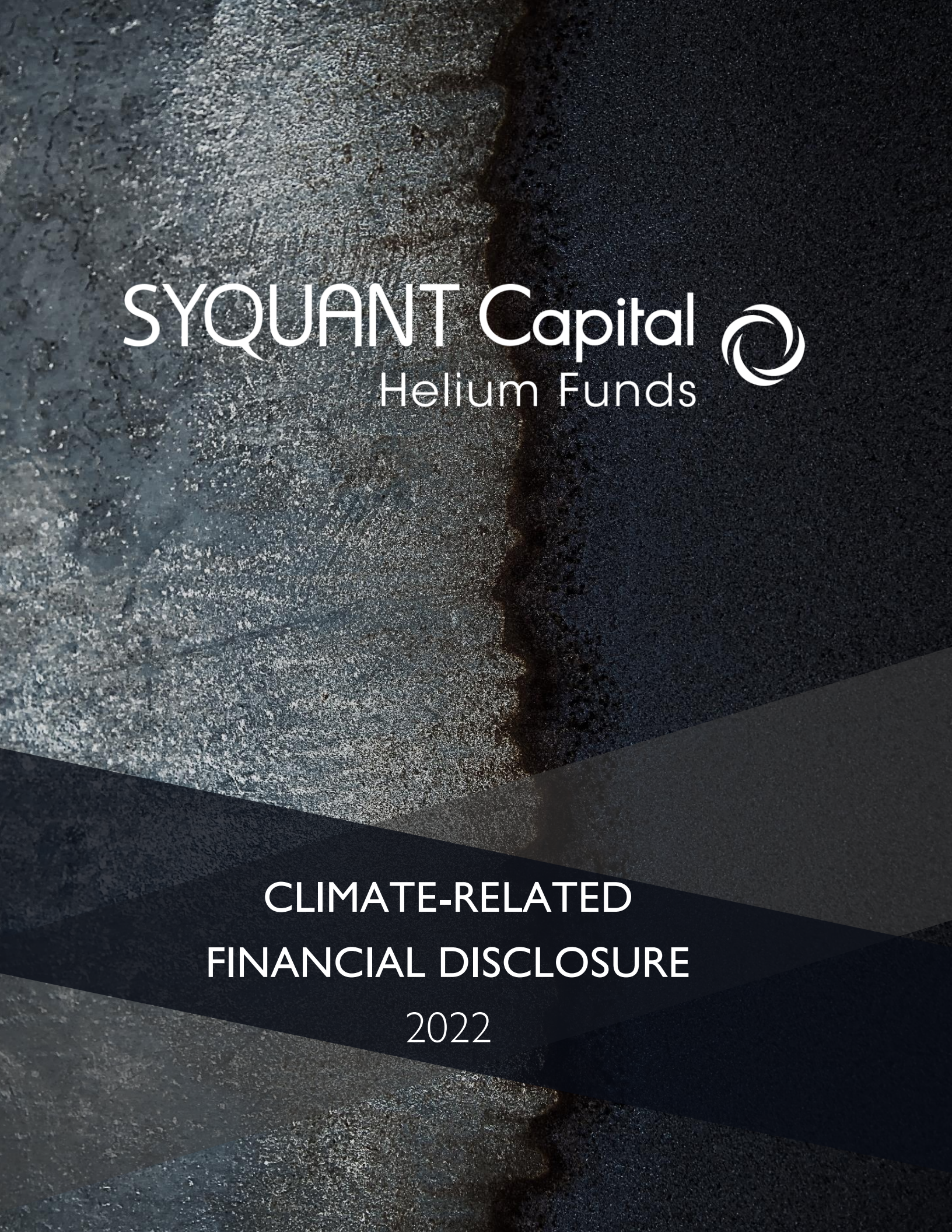


CLIMATE-RELATED FINANCIAL DISCLOSURE

2022

DISCLAIMER

The present document ("the Document") is a **MARKETING COMMUNICATION**. Please refer to the funds' respective KIID and/or their prospectuses prior to any investment decision.

While SYQUANT Capital uses reasonable efforts to provide accurate and up-to-date information, some of the information provided in the present document was collected by third parties and has not been independently verified by SYQUANT Capital. SYQUANT Capital will not be held liable for any errors or omissions contained in the information provided in the Document. Although this information has been produced and processed from sources believed to be reliable, no warranty, express or implied, is made regarding accuracy, adequacy, completeness, reliability, or usefulness of this information. This disclaimer applies to both isolated and aggregate uses of information.

CONTENTS

SECTION A: GOVERNANCE 3

OVERSIGHT OF CLIMATE RISKS AND OPPORTUNITIES 4

OUR ASSESSMENT AND MANAGEMENT OF RISKS AND OPPORTUNITIES 4

SECTION B: STRATEGY 6

OUR COMMITMENTS TO RESPONSIBLE FINANCE INITIATIVES 7

INCORPORATING CLIMATE-RELATED RISK AND OPPORTUNITIES 7

1. DISCRETIONARY INCORPORATION OF CLIMATE DATA 8

2. CLIMATE-FOCUSED EXCLUSIONS 9

3. ACTIVE OWNERSHIP 10

4. CLIMATE-RELATED PRINCIPLE ADVERSE IMPACTS 11

SECTION C: RISK MANAGEMENT 14

OUR APPROACH TO CLIMATE RISK MANAGEMENT 15

SECTION D: KEY METRICS AND TARGETS 16

CLIMATE SCENARIO ANALYSES 17

TRANSITION RISK 18

PHYSICAL CLIMATE RISK 20

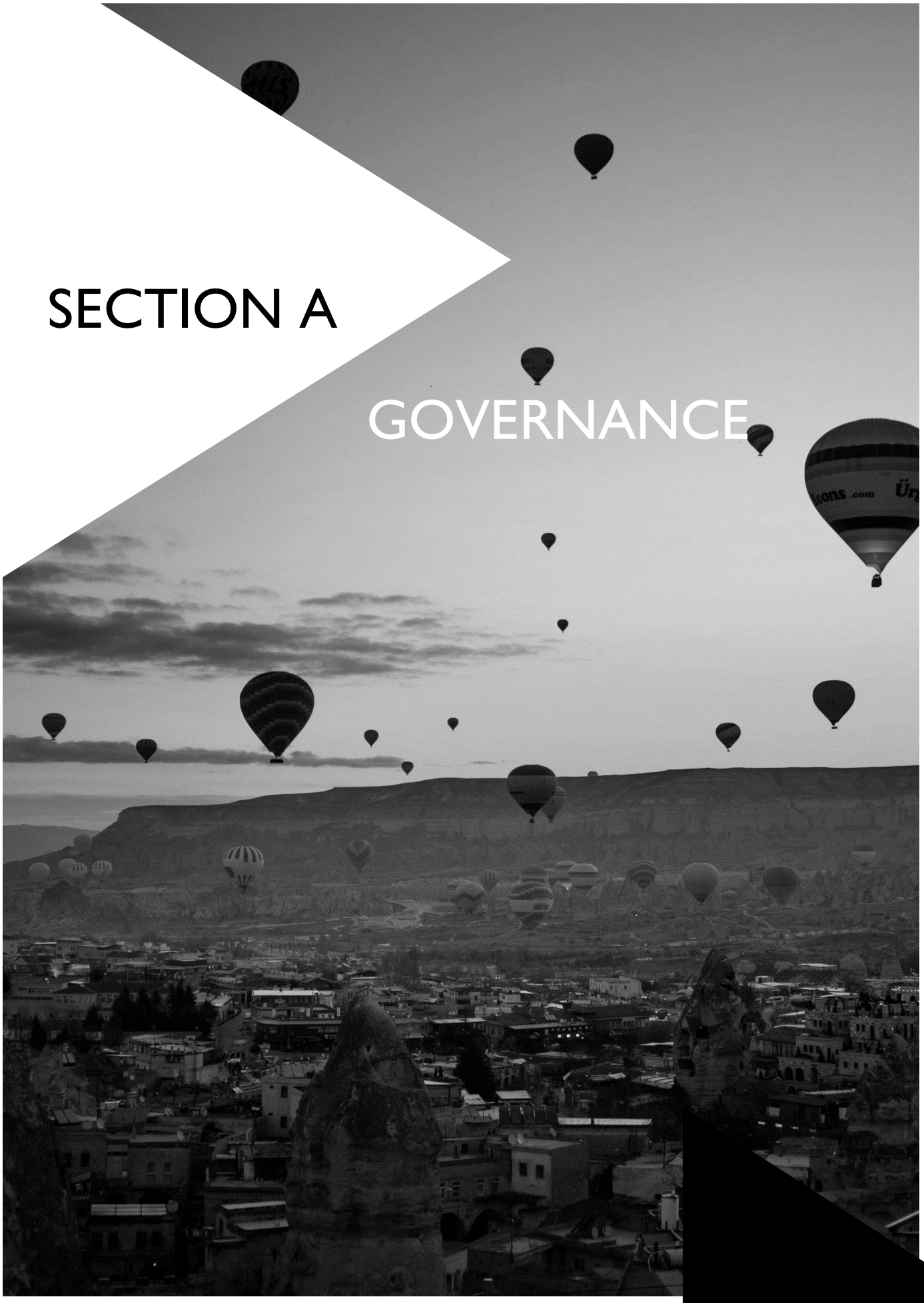
CARBON RISK RATING 22

TARGETS 24

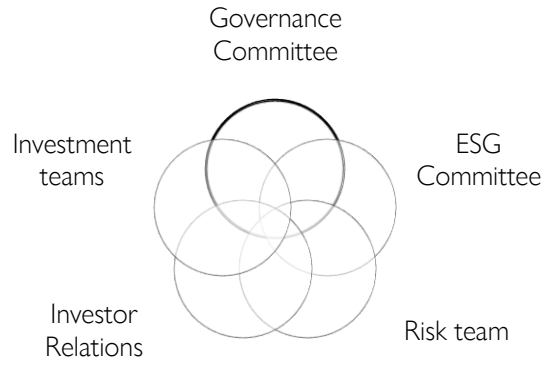
APPENDIX I: DETAILED FUND DATA 25

SECTION A

GOVERNANCE



OVERSIGHT OF CLIMATE RISKS AND OPPORTUNITIES



SYQUANT Capital's Governance Committee, its highest-level committee, is informed of climate-related risks and opportunities by the company's ESG Committee. The overlap between the membership of both committees ensures that the discussions, knowledge, and decisions taken by the the latter committee can be accurately presented and justified to the former. The ESG Committee will communicate its conclusions to the Governance Committee concerning the climate risks and opportunities to which SYQUANT Capital is exposed depending on their level of materiality and its time horizon. This process may take place either annually, typically when reports to regulatory authorities and certain investors regarding climate-related risks and opportunities are compiled, or on a more ad-hoc basis as needed.

OUR ASSESSMENT AND MANAGEMENT OF RISKS AND OPPORTUNITIES

Climate-related risks and opportunities are sujected to an assessment by SYQUANT Capital's ESG Committee based on climate reports for each one of our funds and for SYQUANT Capital as a whole produced by ISS ESG, our ESG data provider. The Committee is responsible for the design and evaluation of strategies to seize and mitigate climate-related opportunities and risks respectively, imparting appropriate responsibilities to each team. Though the ESG Committee meets at least annually to conduct these assessments and reviews, it has been convened much more frequently in practice to address ad-hoc risks and opportunities, and may do so for climate-related issues.

The ESG Committee disseminates its conclusions and knowledge on climate-related risks and opportunities to foster an awareness of the subject in the relevant teams. Consistent overlap between the ESG Committee and SYQUANT Capital's other decisional committees guarantees that material information concerning climate-related risks and opportunities is properly transmitted throughout the company. Other committees or teams may then seize upon this information to suggest potential improvements to our risk management efforts through representatives at the ESG Committee.

The ESG Committtee reports its important decisions and conclusions to the Governance Committee, which includes all managing directors absent from the ESG Committee. If necessary, climate-related risks and opportunities are considered when the Governance Committee is convened, at least quarterly.

Our Governance Committee

SYQUANT's Governance Committee provides the strategic direction for the implementation of ESG across the company. It empowers the ESG Committee to oversee the implementation, development, and promotion of ESG within SYQUANT Capital. The Governance Committee examines feedback provided by the ESG Committee and reviews and approves the Responsible Investment Policy annually.

Our ESG Committee

Established in 2019, the ESG Committee's role is to ensure an ongoing awareness of salient ESG matters that may impact the business as a whole and to incorporate this awareness in the design of our investment policy as well as in our commitments to

corporate responsibility more broadly.

The ESG Committee is chaired by Mr Lindren Thanacoody who is a senior member of the Investor Relations team and partner of SYQUANT Capital. The other members of the ESG Committee, which include an ESG leader for each investment team, are:

- Mr Olivier Leymarie, CEO, ESG leader of the quantitative team
- Mr Carl Dunning-Gribble, Head of Investor Relations
- Mr Nikolai Doinikov, Risk Department
- Mr Bruno Ducamp, Head of Compliance
- Mr Grégoire Monguillon, ESG leader of the M&A investment team
- Mr Arthur Fonck, ESG leader of the Event-Driven investment team
- Mr Pierre Duquenne-Liétar, ESG leader of the Credit investment team
- Mr Vincent Patillet, ESG Committee Secretary

The ESG Committee reports to the Governance Committee, to which it can recommend amendments to the Responsible Investment Policy.

SECTION B

STRATEGY

OUR COMMITMENTS TO RESPONSIBLE FINANCE INITIATIVES

SYQUANT Capital believes that, like ESG factors more generally, consideration of climate-related risks and opportunities are a fundamental component of long-term value creation. We became a signatory to the United Nations Principles of Responsible Investing ("UN PRI") in January 2021. Accordingly, we are committed to the following six principles (the "UN PRI Principles"):

1. To incorporate ESG issues into investment analysis and decision-making processes.
2. To be an active owner and to incorporate ESG issues into our ownership policies and practices.
3. To seek appropriate disclosure on ESG issues by the entities in which we invest.
4. To promote acceptance and implementation of the UN PRI Principles within the investment industry.
5. To work with the PRI Secretariat and other signatories to enhance their effectiveness in implementing the UN PRI Principles.
6. To report on our activities and progress towards implementing the UN PRI Principles.

By becoming a supporter of the Task Force on Climate-Related Financial Disclosures (TCFD), which encourages more extensive consideration of climate-related risks and opportunities and greater transparency in this area, we also abide by our commitment to UN PRI principles and our objective to make progress in our incorporation of ESG issues into decision-making processes.

SYQUANT Capital also supports The Shift Project, a French nonprofit organisation created by energy-climate experts that aims to limit both climate change and the dependency of our economy on fossil fuels. The Shift Project contributed to the National Debate for Energy Transition in France and its president is a member of the French Committee on Climate Change. We also support the *Fondation de la Mer*, another nonprofit organization acting to raise awareness and protect the ocean and marine ecosystems, an essential carbon sink.

Our commitment to these industry initiatives is consistent with our investment philosophy and reflects our commitment to capital preservation and superior risk-adjusted returns. We recognise responsible investment is not an exact science. Our involvement with these initiatives demonstrates our commitment to understand new trends, improve our methodology, share our knowledge, and develop common approaches.

INCORPORATING CLIMATE-RELATED RISK AND OPPORTUNITIES

As a professional provider of investment services, the SYQUANT Capital is aware of the importance of material climate risks and opportunities. Our internal policies and procedures are designed to identify, monitor, and manage within our decision-making processes, the environmental, social and governance events most relevant to the funds that we manage.

SYQUANT Capital implements a framework that incorporates ESG considerations throughout the investment process. We expect this strategy to lead to more consistent and better investment outcomes through the identification of material risks and opportunities to drive value. The framework relies on four complimentary pillars:

1. **Incorporation of ESG scoring and other data:** The discretionary use of ESG scores and other ESG date in the investment decision process enables our investment teams to focus on issuers less exposed to climate risks.

2. **Climate-focused Exclusions**: an exclusion policy enables the Investment Manager to systematically rule out from the investment process assets exposed to severe climate risks.

3. **Active Ownership:** voting and engagement practices encouraging companies' efforts to appropriately manage climate risks.

4. **Consideration of climate-related principal adverse impacts** both at the level of SYQUANT Capital and of the funds, as defined by the SFDR regulatory technical standards (Delegated Regulation (EU) 2022/1288).

1. DISCRETIONARY INCORPORATION OF CLIMATE DATA

The first pillar of the SYQUANT's management of sustainability risks is to conduct a thorough extra-financial analysis of companies. To achieve this, it considers a range of factors by leveraging data from, among other sources, a leading ESG ratings agency.

Climate-related data

SYQUANT Capital has subscribed to ISS ESG, the responsible investment arm of Institutional Shareholder Services Inc, one of the leading providers of environmental, social, and governance data solutions. ISS ESG provides SYQUANT Capital with climate-related information including:

- Scope 1, 2, and 3 emissions
- Carbon intensity
- Carbon footprint
- Fossil fuel involvement and the share of revenue derived therefrom
- Peer group carbon intensity

This data is processed in real-time in our Portfolio Management System to produce and make statistical data such as the weighted average carbon intensity of any chosen portfolio available to our investment professionals. The emissions data, carbon intensity and weighted carbon intensity is presented not only for the entire portfolio selected, but also broken down per sector of investment, for the long and short leg of each portfolio, and by large, mid-, and small capitalisation for finer analyses.

Some of the companies that our funds invest in may not have climate data attributable to them. Some issuers may simply not be covered by our data provider at all, while we may face issues mapping securities to covered parent companies or to the right parent companies for others.

Incorporation of our data in the investment decision process

The objective of incorporating ESG considerations into our investment decision process is based on the firm belief that the additional information increases its robustness. As they ultimately translate into financial risks and opportunities, ESG risks and opportunities are not a separate category in themselves. The idea is therefore to identify sustainability risks, including climate-related risks, to consider them as part of a holistic assessment of potential and actual investments.

Before any investment decisions are made on behalf of one of our funds, our investment professionals, who all have smoothly integrated access to ISS ESG data, will have completed a process that identifies, alongside other factors, the material risks and opportunities associated with each proposed investment, including climate-related sustainability risks. Note, however, that any decision to eliminate an issuer based on such research, whether due to ESG scoring or any other metric, remains **entirely at the discretion of SYQUANT Capital.**

With longer term horizons in mind, our internally aggregated climate data for each portfolio, which is processed in real-time,

enables any long-term adjustments to our investment policy deemed appropriate or necessary by SYQUANT Capital's ESG Committee.

2. CLIMATE-FOCUSED EXCLUSIONS

Exclusions, also called "negative screening", is an aspect of responsible investment that seeks to achieve a different purpose than incorporation of ESG factors or engagement. While incorporation of ESG factors aims to support better investment decisions and outcomes, negative screening also reflects an investors' choice to systematically avoid activities in what they consider unacceptable.

Recognising that some types of economic activity or corporate behaviour are not compatible with its vision of responsible investing, SYQUANT Capital therefore maintains, as the second pillar of its strategy for the management of climate-related risks, a firm-wide exclusion list that includes the following:

- ***a.*** **Companies whose involvement in coal or coal-based energy exceeds the thresholds set out by our Coal Exit Policy.**
- ***b.*** **Arctic drilling,**
- ***c.*** **Oil sands,**
- ***d.*** **Cryptocurrencies as an asset class**
- ***e.*** **Sovereign debt instruments issued by countries having not ratified the Paris Climate Agreement.**

Unless otherwise stated, the Sub-Fund's exclusions **only apply to long exposures** as short exposures to underlying assets via derivatives are not deemed to reward the companies or issuers in question. The exclusion of cryptocurrencies **applies both to long and short exposures.**

Exposure to an excluded issuer is permitted through use-of-proceeds bonds (ex: "green bonds", "social bonds", or "sustainability bonds"), where proceeds from such bonds are intended to be ringfenced to fund projects with specific environmental or social benefits.

a. Thermal coal

Thermal Coal is predominantly used for power and heat generation. Of all fossil fuel energy sources, thermal coal generates the highest volume of greenhouse gas emissions when combusted.
SYQUANT Capital has implemented an ambitious Coal Exit Policy that aims to progressively reduce its portfolios' exposure to coal, with the objective of reaching zero by 2030 at the latest, in line with the Paris Agreement.
The Coal Exit Policy restricts i) the production and distribution of thermal coal and lignite, in tons and as a share of revenue, and ii) thermal coal-based power generation distribution and capacity. It includes exclusions with thresholds in absolute and relative terms, which will progressively be lowered to zero by 2030.
The Coal Exit policy can be consulted on the Investment Manager's website.

b. Artic Drilling

More Arctic hydrocarbon exploration and production would create more warming, inducing local pollution and greenhouse gas emissions from global use of the hydrocarbons, further decreasing the ice cover and leading to a vicious cycle. Moreover, a remote Arctic oil spill could also spell disaster for the region's biodiversity, local wildlife, and people in a destructive and irreversible way, as current clean-up technology remains largely inadequate to handle such events.

For investors committed to environmental responsibility, encouraging the development of new drilling techniques by the oil sector also contradicts the preservation of biodiversity, as well as opposed to the Paris Agreement commitments to limit greenhouse gas emissions.
SYQUANT Capital has therefore taken the decision to restrict long investments in companies that generate more than 5% of their revenue from Artic drilling activities.

c. Oil Sands exploration,* production, *and services

Like coal-based energy, energy produced from tar sands (also known as oil sands or bitumen) is particularly carbon intensive. Locally, its production also generates significant human rights concerns and causes serious environmental pollution.
As a result, the Investment Manager has decided to restrict long investments in companies generating more than 5% of revenues in one or more of tar sands exploration, production, or services.

d. Cryptocurrencies as an asset class

As an energy-intensive process mostly carried out in countries heavily reliant on fossil fuels, and typically coal, the mining of cryptocurrencies has the potential to significantly accelerate global warming. Moreover, the comparative lack of scrutiny concerning cryptocurrencies enables their use for money-laundering purposes, tax evasion or to finance criminal activity.
SYQUANT Capital has decided that investments in cryptocurrencies are incompatible with its approach to responsible investment and its other climate-based exclusions.

e. Non-ratification of the Paris Climate Agreement

SYQUANT Capital will not have any long exposure in any government bonds issued by countries which have not ratified the Paris Climate Agreement.

3. ACTIVE OWNERSHIP

As a responsible investor, SYQUANT believes that positive impact can be achieved both through our investment choices and by engaging in constructive dialogue with companies. SYQUANT Capital is a signatory of the United Nations Principles for Responsible Investment and is aware of its duty to make targeted engagement efforts with companies on ESG issues.

Individual engagement

SYQUANT Capital can engage with companies on a case-by-case basis. Since the different strategies run by the Investment Manager are mostly “Event-Driven”, the portfolio managers regularly conduct individual engagement with many companies in which the funds invest, whether by conducting meetings with company management and/or attending investor relations events/conferences.

During these interactions, our investment professionals may engage with company management on a variety of issues, which may include material climate risk to a company’s financial performance. The decision to engage with an issuer is primarily based on what we believe will maximize shareholder value and relatedly, what will diminish climate risk, and what we believe will improve corporate behaviour, including in terms of transparency.

Through a dialogue with the Management of companies, our investment teams may seek to gain a better understanding of their businesses and climate strategies in order to identify the associated risks and opportunities. As such, our engagement helps to

optimise the risk/return profile of our portfolios. The information and commitments that our investment teams obtain from companies helps us guide our investments and, in many cases, decide whether to uphold one of our climate-related exclusions.

SYQUANT Capital believes that "case by case" individual engagement offers a much greater understanding of the companies in which it invests or intends to invest. However, we are also aware that individual engagement is not enough, in most cases, to influence companies' long-term behaviour. This is partly due to the strategies run by SYQUANT Capital, which have a relatively short time horizon. To have a longer-term impact on companies therefore, we also participate in collective engagement via ISS ESG's collaborative engagement platform.

Voting

Our active ownership pillar also includes a sustainability-oriented voting policy. SYQUANT Capital subscribes to ISS Governance's *Sustainability Policy* voting guidelines, which generally supports norms-based ESG shareholder proposals that enhance long-term shareholder and stakeholder value while aligning the interests of the company with those of society at large.

Regarding climate change, the *Sustainability Policy* recommends voting in favour of:[1]

- shareholder proposals seeking information on the financial, physical, or regulatory risks the company concerned faces related to climate change- on its operations and investments, or on how the company identifies, measures, and manage such risks.
- shareholder proposals calling for the reduction of GHG emissions.
- shareholder proposals seeking reports on responses to regulatory and public pressures surrounding climate change, and for disclosure of research that aided in setting company policies around climate change.
- shareholder proposals requesting a report/disclosure of goals on GHG emissions from company operations and/or products.

4. CLIMATE-RELATED PRINCIPLE ADVERSE IMPACTS

SYQUANT Capital considers principal adverse impacts on sustainability factors ("**PAI**")[2] both at entity level, that is, at the level of the management company, and for each fund in the investment decisions which it makes on their behalf.[3]

SYQUANT Capital's principal adverse impacts

As per Article 4(1)(a) SFDR, SYQUANT Capital makes a statement available on its website setting out its due diligence policies with respect to all standard principal adverse impacts as well as two additional environmental and social impacts.

The PAIs taken into account by SYQUANT Capital relating to climate risk are the following:

[1] ISS Governance – Sustainability International Voting Guidelines 2023 - https://www.issgovernance.com/file/policy/active/specialty/Sustainability-International-Voting-Guidelines.pdf?v=1

[2] PAI are defined in the SFDR Regulatory Technical Standards (Commission Delegated Regulation (EU) 2022/1288) as "the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters".

[3] Although Helium Opportunities did not consider PAIs in 2022 due to its article 6 SFDR status, the necessary amendments are well under way for this to change in 2023.

SYQUANT Capital	
Adverse sustainability indicator	**PAI Metric**
GHG emissions	Scope 1 GHG emissions Scope 2 GHG emissions Scope 3 GHG emissions Total GHG emissions
Carbon footprint	Carbon footprint
GHG intensity of investee companies	GHG intensity of investee companies
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources
Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement

Please refer to our Principal Adverse Impact statement available on SYQUANT Capital's website for further information regarding the principal adverse impacts considered at the level of SYQUANT Capital, and our strategy and annual performance in relation to each of those PAIs.

Fund-level climate-related principal adverse impacts

In line with the climate focus of our fund's exclusions, the funds consider, among other principal adverse impacts ("PAIs") on sustainability factors, the PAIs presented in the table below.

HELIUM FUNDS	
Adverse sustainability indicator	**PAI Metric**
GHG emissions	Scope 1 GHG emissions Scope 2 GHG emissions Scope 3 GHG emissions Total GHG emissions
Carbon footprint	Carbon footprint
GHG intensity of investee companies	GHG intensity of investee companies
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector

As previously noted, SYQUANT Capital limits its investments in the coal sector and coal-based energy production and distribution through an ambitious Coal Exit Policy including both absolute and relative thresholds in accordance with the guidelines issued by the French *Association Française de la Gestion Financière* (AFG) and the *Reclaim Finance* initiative. The thresholds established in our Coal Exit Policy are lowered biannually until a total exclusion from our investments of coal producers and distributors as well as companies generating any energy from coal in 2030.

In addition, SYQUANT Capital also excludes from its investments companies which derive over 5% of their revenue from arctic drilling or the exploration and exploitation of oil sands and any related services.

Together with our engagement we expect these measures to have a positive impact on our emissions, exposure to fossil fuels, and thereby on our funds' exposure to climate risks due to economies transitioning away from fossil fuels.

SECTION C

RISK MANAGEMENT

OUR APPROACH TO CLIMATE RISK MANAGEMENT

Our management of climate-related risk involves continuous monitoring of our investment activity by our risk team and annual (or more frequent ad-hoc) meetings of SYQUANT Capital's ESG Committee to consider whether any changes to our climate risk management policy are appropriate.

The Risk Team

SYQUANT Capital has prioritized effective market risk management as a key aspect of its investment approach since their inception. The Risk Management team is responsible for overseeing risk management in the investment process and plays a crucial role in identifying, quantifying, and analysing the risks associated with the investment process. The team is independent of the investment management team and reports directly to the CEO of SYQUANT Capital. The team monitors compliance with investment restrictions set for each fund, including regulatory, statutory, and internal constraints.

The Risk team has also integrated sustainability risk into their oversight, using our proprietary software to monitor our alignment with the Strategy presented in Section B. The team is represented in the ESG Committee to best define and insert our practices for sustainability risks within our general risk management framework.

The ESG Committee

Representatives to the ESG Committee are responsible for convening a meeting of the committee when they identify significant sustainability risks, including climate-related risks.
Our investment teams are responsible for identifying new risks related to escalating climate change impacts, prompting reviews of our exclusion lists, and engaging with companies on sustainability issues, including climate-related ones. Their ESG leaders convene ESG Committees to formalize the management processes to be applied to a type of sustainability risk or to address a particular risk that appears especially material.

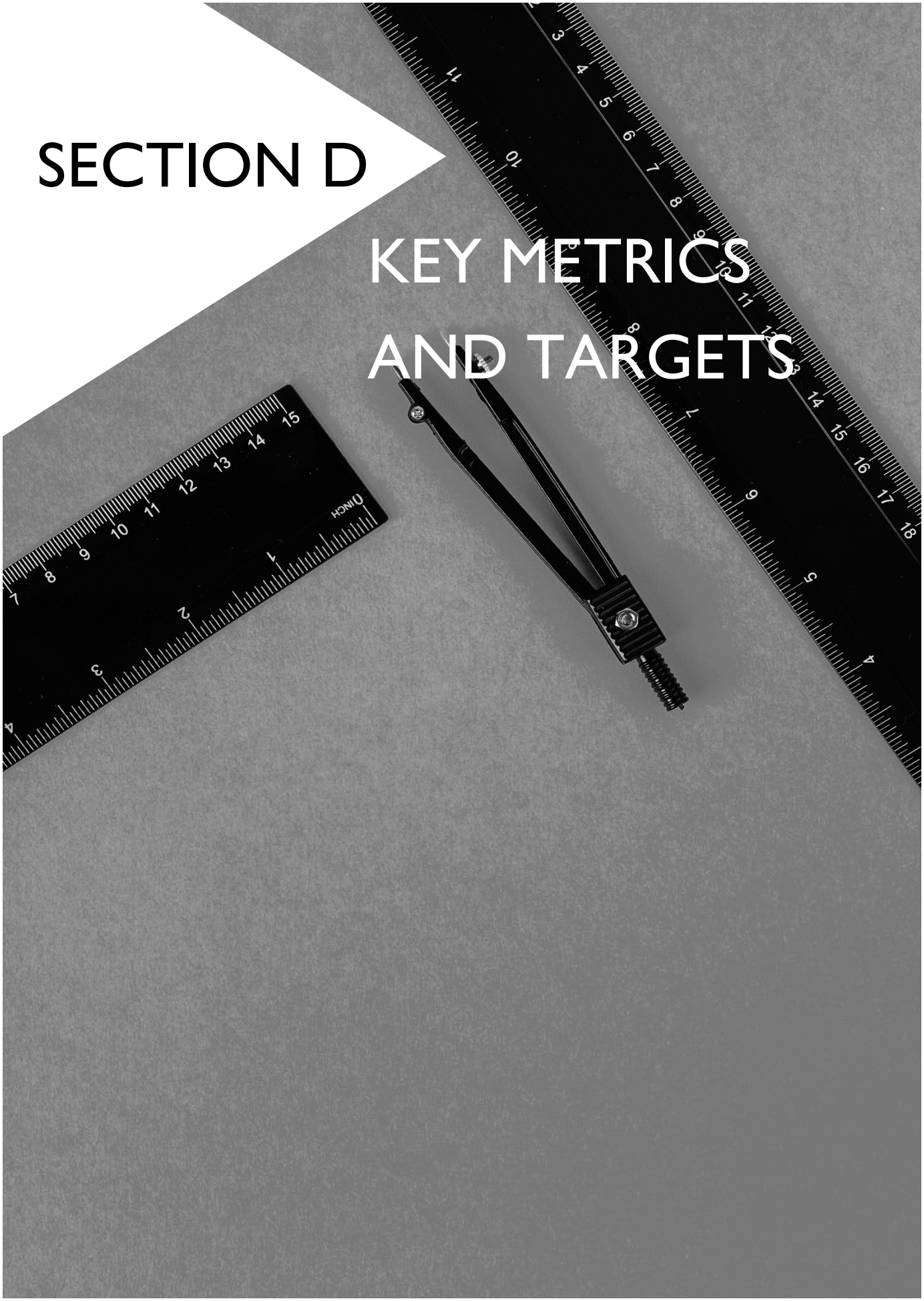
Our risk management tools

The data that we receive from ISS ESG, a leader in ESG data, is fed into our proprietary portfolio management software, where it can be monitored in relation to a given fund in aggregate or to a particular issuer in a fund's portfolio. The indicators integrate our strategy into our IT systems and automatically implement our exclusion list. Our climate-focused exclusions are implemented through our proprietary software, which conducts pre-trade checks and blocks all trades that do not comply with our Responsible Investment Policy. Our exclusion list is accessible to all our investment teams, our risk team and compliance team, with aggregate data available in real-time.

Regarding our strategy for discretionary risk management, many climate-related indicators are made available to our investment teams including among other information, their scope 1, 2, and 3 emissions, and the corresponding intensity for each scope of emission, the average for a given issuer's peer group, and their share of revenue from their involvement in fossil fuels.

SECTION D

KEY METRICS AND TARGETS



CLIMATE SCENARIO ANALYSES

Climate scenarios simulate how the climate responds to different greenhouse gas (GHG) concentration pathways in the atmosphere over time, e.g., how the concentrations of CO2 change over a specific time period. The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS).[4] Each scenario is associated with a carbon budget derived from the quantity of fossil carbon that can be combusted worldwide to remain within a certain temperature. The carbon budget of each issuer in the fund's portfolio is established based on its present and projected future market share and the given portfolio's holding. The carbon budget varies according to the scenario considered, with the SDS being the most ambitious, consistent with a global temperature rise well below 2°C by 2100 relative to pre-industrial levels followed, in order, by the APS and the STEPS. Alignment Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Sustainable Development Scenario (SDS) - The Sustainable Development Scenario is fully aligned with the Paris Agreement by holding the rise in global temperatures to "well below 2°C … and pursuing efforts to limit [it] to 1.5°C", and meets Sustainable Development Goals (SDGs) objectives related to achieve universal access to energy (SDG 7), to reduce the severe health impacts of air pollution (part of SDG 3) and to tackle climate change (SDG 13).

Net Zero (NZE2050) – The Net Zero 2050 scenario sketches a transition to a net zero energy system by 2050 and corresponds to a 1.5˚C temperature increase.

Stated Policy Scenario (STEPS) - The Stated Policies Scenario assumes today's policy intentions and targets and considers only specific policy initiatives that have already been announced.

Announced Pledges Scenario (APS) - The Announced Pledges Scenario takes into account all of the climate commitments made by governments globally, including NDCs as well as longer term net zero targets. It assumes that such commitments will be met in full and on time.

These scenario analyses enable the detailed examination of our portfolio's emissions trajectory, scenario alignment, and value at risk. Regarding the latter, two main categories of climate-related risk are typically distinguished: risks related to the transition to a lower-carbon economy ("**transition risk**") and risks related to the adverse physical impacts of climate change ("**physical risk**"). These two kinds of climate-related risk are further defined below and the corresponding climate value at risk figures are summarized for all our funds.

For the full climate reports for each one of our funds, please refer to Appendix I.

[4] Information on the scenarios and their underlying assumptions are provided by the IEA at https://www.iea.org/reports/global-energy-and-climate-model.

TRANSITION RISK

Our analysis of prospective transition risks and opportunities is based on two of the International Energy Agency's (IEA) most common reference transition risk scenarios:

- Sustainable Development (SDS), associated with an increase in temperature of 1.65˚C.
- Net Zero (NZE2050), associated with an increase in temperature of 1.5˚C.

Both scenarios are published annually as part of the World Energy Outlook (WEO) series by the International Energy Agency (IEA), with current data based on the 2021 WEO release. The temperature increases implied by the two scenarios represent possible futures with a high degree of transition risk. The selection of these scenarios is in accordance with TCFD recommendations, which suggest using a scenario with a temperature increase of 2°C or less.

The World Energy Model (WEM) developed by the IEA is a hybrid Integrated Assessment Model that encompasses policy, market, and technology risks. The WEM models not only future energy production and consumption, but also assumptions about policy and behavioural shifts and the relative cost trajectories of critical low-carbon technologies against conventional fossil fuel alternatives. Accordingly, to assess overall transition risk, the analysis takes into account the following sub-types of risk:

Policy risks: the additional costs or revenues that a company may incur due to changes in the policy environment. Various policy risks, such as carbon tax, emissions trading schemes, and coal production restrictions, are frequently encapsulated within a single carbon price instrument.

Market risks: adjustments in carbon pricing for each region or country, with each scenario having been applied to the Scope 1 and Scope 2 emissions of certain industries in accordance with the IEA methodology. Sectors considered for scenario analysis with direct carbon prices are Power Generation, Energy Production and Industry. More broadly, the sectors considered for scenario analyses also include Buildings and related services, and Transport.

GREEN	Renewables, Natural gas with CCUS, Coal with CCUS, Nuclear
BROWN	Oil, Unabated natural gas, Unabated coal

Technology risks: the potential evolutions in the price or demand for low carbon solutions as compared to those more conventionally reliant on fossil fuel. Potential shifts in demand associated with technology risks are evaluated using the compound annual growth rates (CAGR) in energy and power supply between 2020 and 2050 from the SDS and NZE2050 scenarios.

To estimate the difference in sales and operational expenditure expected for a given portfolio, ISS ESG draws on the IEA's data for each scenario, the transition risk analysis considers two main inputs:

- Changes in demand for green/brown activities
- Evolutions in emissions-related costs

ISS ESG then evaluates the effect of these changes in sales and operational expenditure on valuations and from there the transition value at risk ("TVaR") associated with them.

OUR FUNDS' TRANSITION RISK

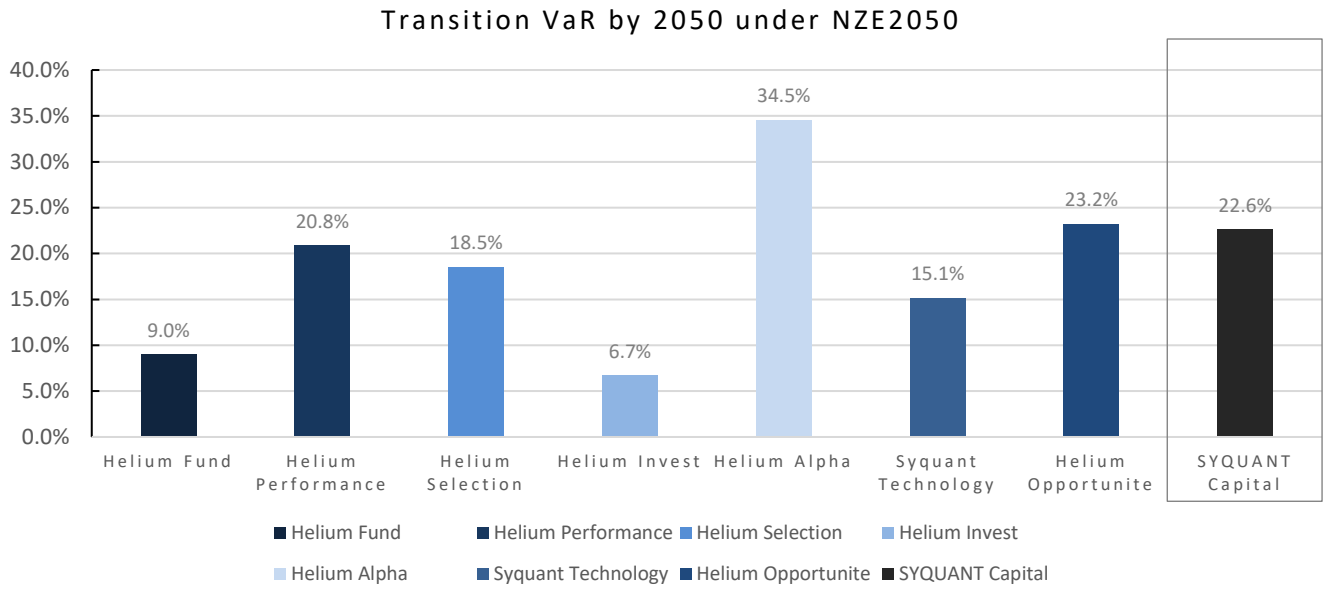
Some of the intermediary data used to calculate the transition risk associated with our portfolios is presented in the tables below. As may be remarked, none of our funds exceed its budget before 2030, while two - Helium Invest and Syquant Technology – will not exceed it before 2040. Regarding the weighted average of all funds, represented as SYQUANT Capital, our funds do not exceed their budget coherent with an SDS scenario before 2037. Overall, our funds are associated with a potential increase in temperature of 2.1°C by 2050.

	SDS Budget threshold year	Potential temp. increase - 2050	Portfolio overshoot				Coverage
			2022	2030	2040	2050	
Helium Fund	2032	2.3°C	-27.89%	-6.97%	54.81%	192.71%	85.36%
Helium Performance	2035	2.2°C	-35.59%	-18.45%	37.17%	172.81%	85.25%
Helium Selection	2038	2.1°C	-49.14%	-33.63%	19.79%	154.74%	84.98%
Helium Invest	2044	1.7°C	-59.06%	-53.39%	-21.27%	53.02%	84.74%
Helium Alpha	2034	2.4°C	-29.19%	-16.28%	44.09%	206.60%	97.58%
Syquant Technology	2043	1.6°C	-61.89%	-57.99%	-18.02%	98.40%	96.03%
Helium Opportunites	2039	2.1°C	-54.45%	-43.97%	11.40%	153.65%	88.63%
SYQUANT Capital	2037	2.1°C	-41.53%	-26.30%	27.53%	156.51%	85.89%

Regarding the transition risk component tied to exposure to carbon intensive power generation sources and fossil fuel reserves, the funds present roughly equal proportions of green (22.57%) and brown (24.44%) power generation sources (see definitions above) on a weighted average basis.

	Power generation		Reserves	
	% Generation Output - Green	% Generation Output - Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)
Helium Fund	20.97%	21.84%	14.74%	755.38
Helium Performance	20.85%	24.54%	12.57%	1,117.23
Helium Selection	18.53%	23.91%	11.10%	292.34
Helium Invest	37.75%	16.71%	7.64%	179.38
Helium Alpha	34.54%	54.34%	4.26%	13.37
Syquant Technology	81.56%	15.12%	1.60%	-
Helium Opportunites	23.22%	28.87%	4.70%	127.94
SYQUANT Capital	22.57%	24.44%	10.78%	2,485.64

The potential change in value due to transition risk out of the total *long* exposure of each one of our funds under the NZE2050 scenario associated with a 1.5°C potential temperature increase are presented below.



PHYSICAL CLIMATE RISK

The financial profile of an issuer, such as the location of its operations, the total value of its assets, and the countries where it generates revenue, are among the factors that affect the issuer's physical risk levels resulting from a changing climate. Our Physical Climate Risk analysis assesses the current and anticipated Portfolio Financial Value at Risk associated with individual issuers' exposure to physical risks.

Physical hazards can affect a company's finances at both the operational and market levels:

Operational risks are calculated by considering the costs of repairing assets damaged by natural disasters like tropical cyclones, river floods, coastal floods, and wildfires, as well as the loss of income caused by business disruptions resulting from these events. The assessment also takes into account the impact of heat stress on labour productivity and the resulting increase in production costs.

Market risks are quantified by assessing the revenue at risk due to the nationwide impact on Gross Domestic Product (GDP) resulting from a combination of droughts, heat stress on agricultural productivity, decrease in labour productivity, and health effects on humans. The ISS ESG physical risk evaluation uses a one-to-one relationship between changes in GDP and company revenue.

The Physical Climate Risk Analysis extends to 2050 and incorporates two scenarios from the IPCC Fifth Assessment Report (AR5): a "likely" scenario based on the Representative Concentration Pathway (RCP) 4.5 (equivalent to a temperature rise of 1 to 3 °C by 2100), and a "worst-case" scenario based on the RCP 8.5 (equivalent to a temperature increase of greater than 3 to 5 °C by 2100). A historical scenario is used to evaluate the current risk level for comparison purposes.

Physical Risk Score

The Physical Risk Score evaluates how much an issuer's financial risk changes in relation to the median of its GICS sector in the most likely scenario (RCP 4.5). To make the score easier to understand, two operational constraints are implemented.

- A score of 50 indicates that the issuer's financial risk is the same as the median risk for its sector.
- A score of 1 means that the issuer is among the top 1% of the most exposed companies to financial risk in its sector, while a score of 100 is given to businesses with minimal or no change in financial risk.

N.B. A 10-point reduction indicates a doubling of financial risk.

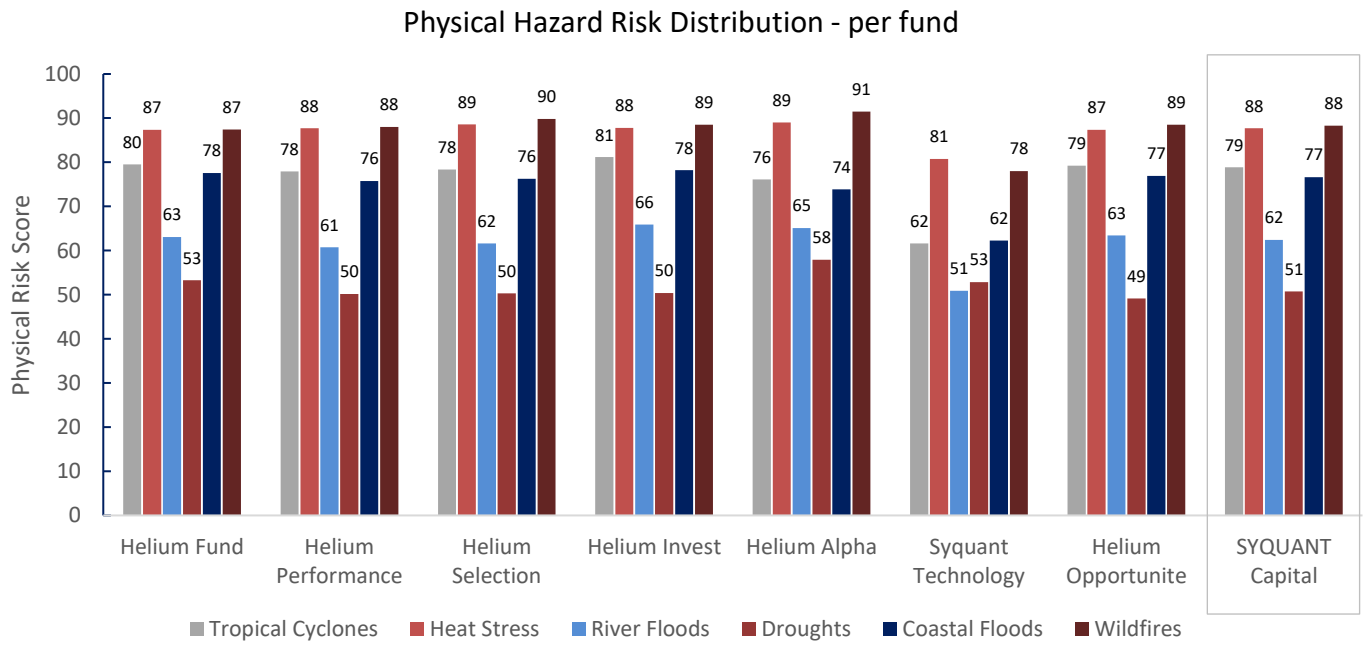
The Physical Risk Score takes into account the following financial risks:

HAZARDS	OPERATIONAL RISK	MARKET RISKS
Tropical Cyclones	• Asset repair costs • Business interruption	*Not considered*
Coastal Floods	• Asset repair costs • Business interruption	• Nationwide impact on country GDP
River Floods	• Asset repair costs • Business interruption	*Not considered*
Wildfires	• Asset repair costs • Business interruption	*Not considered*
Heat Stress	• Decrease in Labor productivity	Nationwide impact on country GDP due to: • Decrease in labor productivity. • Human Health effects
Droughts	*Not considered*	Nationwide impact on country GDP due to decreased Agricultural Yield

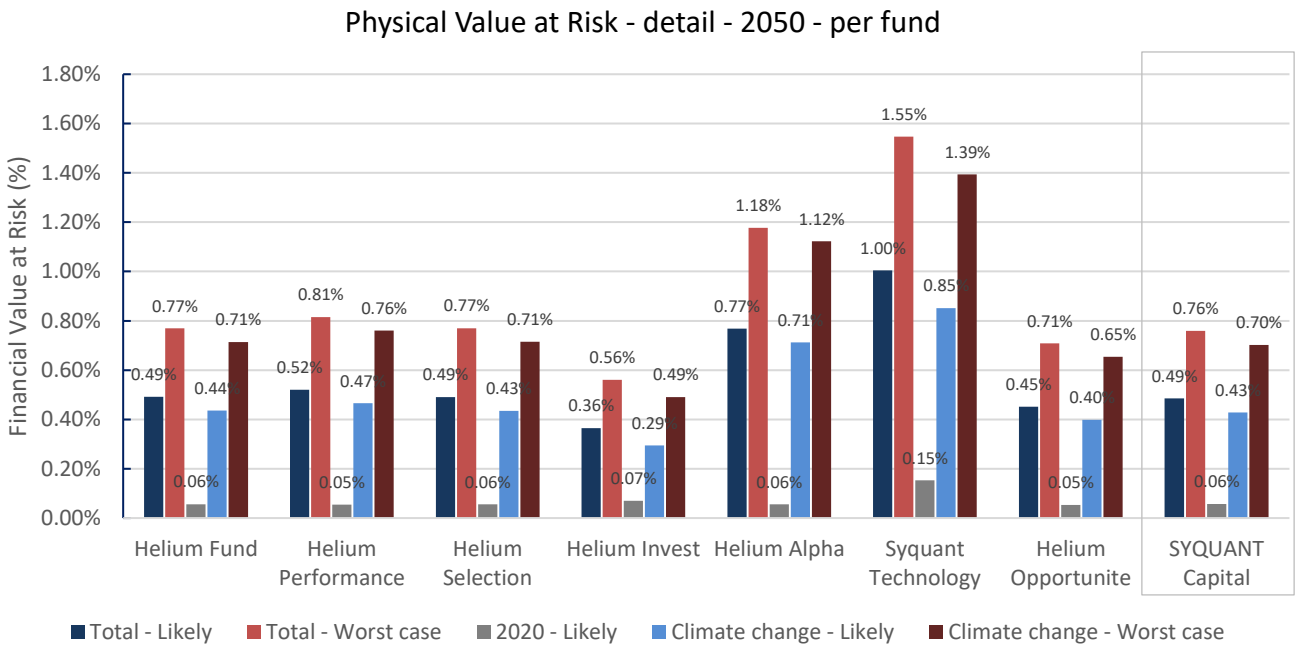
Source: ISS ESG

OUR FUNDS' PHYSICAL RISK

The chart below evaluates the change in financial risk due to five of the costliest hazards for a likely scenario. As remarked above, a low score indicates a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



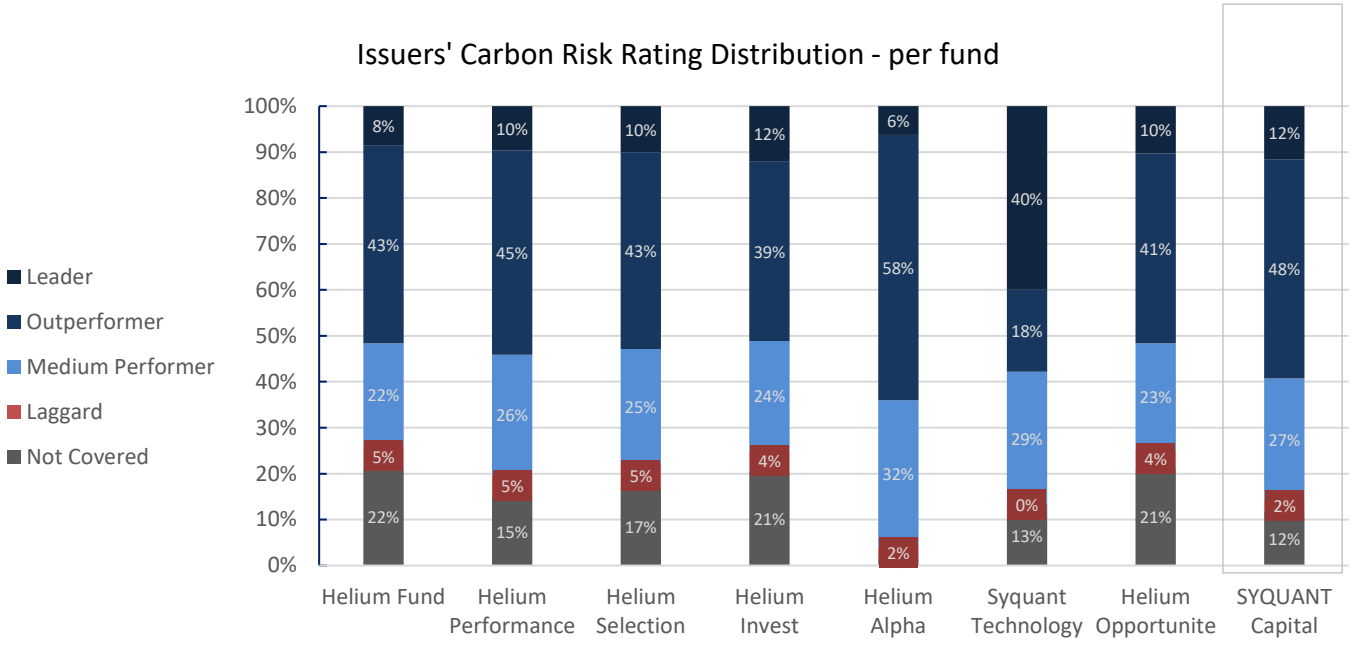
The graph below gives the percentage of value at risk as a proportion of the long exposure of each fund under likely and worst-case circumstances, decomposed to indicate the Value at Risk component owed to climate change and that likely *ex* climate change in 2020.



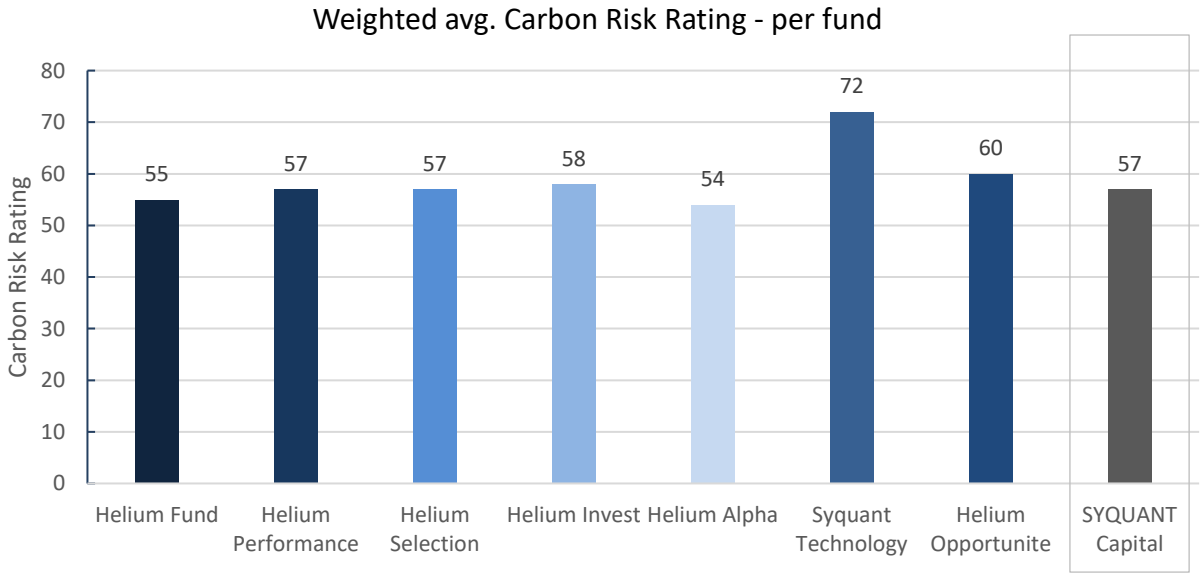
CARBON RISK RATING

ISS ESG's Carbon Risk Rating indicator evaluates companies' carbon-related performance using a mix of quantitative and qualitative measures. This includes assessing a company's greenhouse gas emissions and the carbon impact of its products and services, as well as considering future indicators like emission reduction targets, action plans, and corporate policies. The rating also takes into account a company's absolute climate risk exposure resulting from its business activities.

The Carbon Risk Rating provides a rating scale from 0 to 100, indicating how effectively a company manages industry-specific climate risks in both production and the supply chain. This enables companies to be sorted into four categories based on their carbon-related performance: Climate Laggards, Climate Medium Performers, Climate Outperformers, and Climate Leaders. The rating of 0 represents very poor performance, while a rating of 100 indicates excellent performance.

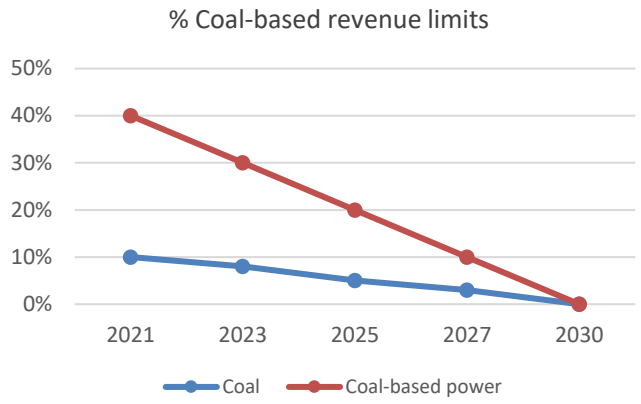


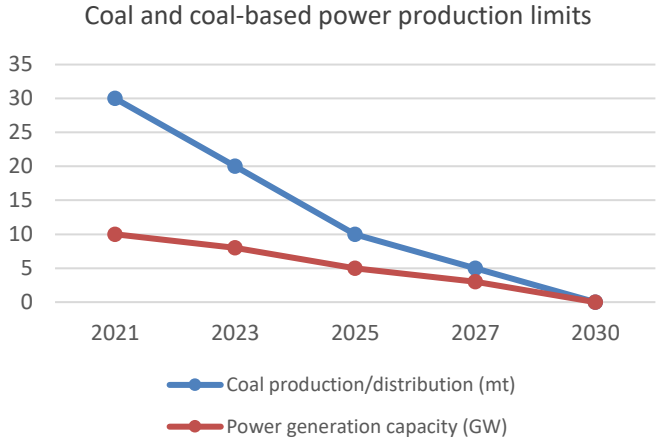
The weighted average Carbon Risk Rating for each fund within our Helium range is provided in the graph below.



TARGETS

Target 1: We intend to continue lowering our absolute and relative thresholds for coal production and distribution and coal power generation to exclude investments in coal and coal-based power entirely from 2030.

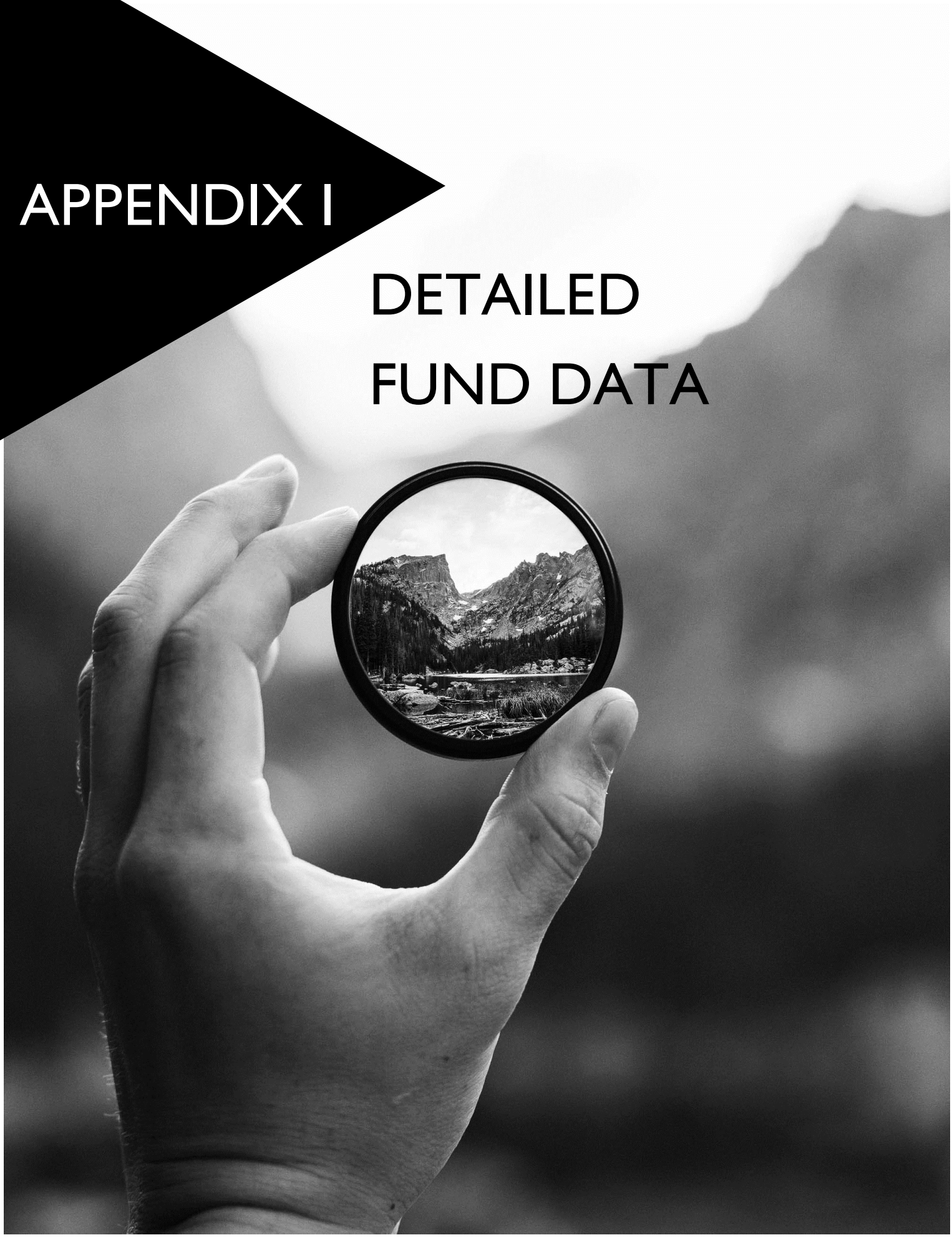




Target 2: To follow 100% or the largest possible proportion of our proxy voting advisor's recommendations concerning 'Say on Climate' proposals from 2025, provided administrative constraints such as regulatory requirements in the country concerned permit participating in eligible votes.

APPENDIX I

DETAILED FUND DATA



DETAILED FUND DATA

HELIUM FUND **26**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

HELIUM PERFORMANCE **41**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

HELIUM SELECTION **56**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

HELIUM INVEST **71**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

HELIUM ALPHA **86**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

SYQUANT TECHNOLOGY **101**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

HELIUM OPPORTUNITES **116**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

SYQUANT CAPITAL (Consolidated Funds) **131**

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

HELIUM FUND

Climate Report

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

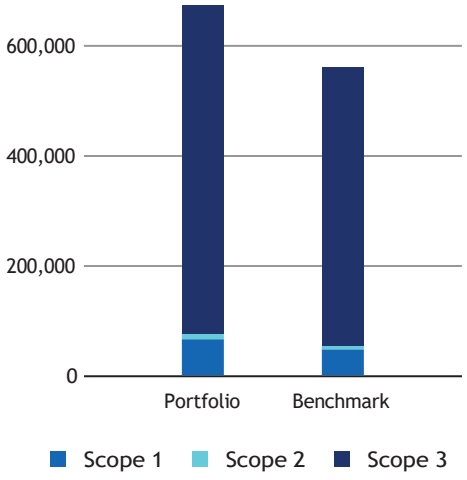
A. CARBON METRICS

Portfolio Overview[1]

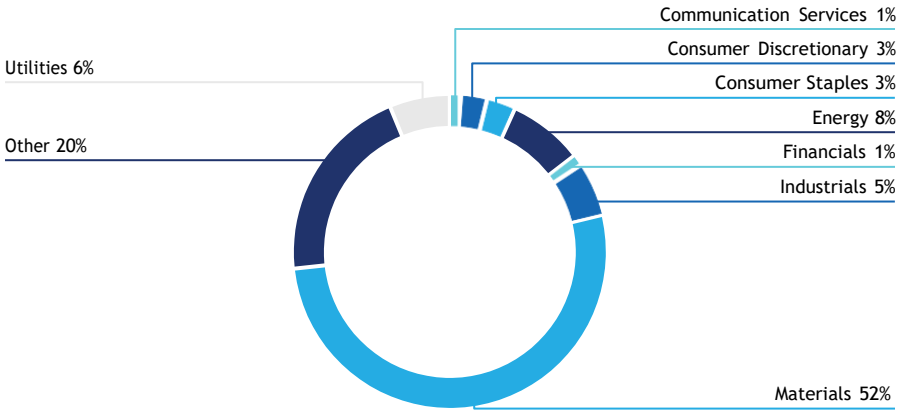
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested	tCO_2e/Revenue		Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	75.2% / 87.9%	77,464	672,778	118.19	183.22	161.95	55
Benchmark	96.8% / 98.4%	55,112	558,139	84.09	191.85	153.46	60
Net Performance	-21.7 p.p. /-10.5 p.p.	-40.6%	-20.5%	-40.6%	4.5%	-5.5%	–

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.
[2] Note: Carbon Risk Rating data is current as of the date of report generation.
[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
ArcelorMittal SA	37.58%	1.07%	Strong	Medium Performer
Ahlstrom Holding 3 Oy	20.28%	2.70%	Inconsistent	-
BASF SE	7.24%	2.70%	Strong	Outperformer
Holcim Ltd.	5.76%	0.24%	Moderate	Medium Performer
Aker BP ASA	3.76%	8.17%	Strong	Laggard
Electricite de France SA	3.39%	2.22%	Strong	Medium Performer
Endesa SA	2.41%	0.91%	Strong	Outperformer
Vallourec SA	2.29%	0.44%	Moderate	Outperformer
Air France-KLM SA	1.81%	0.24%	Strong	Medium Performer
OSRAM Licht AG	1.71%	3.03%	Strong	Medium Performer
Total for Top 10	86.22%	21.72%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs. Benchmark

Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	10.12%	3.29%	6.83%	-0.41%	-1.06%
Consumer Discretionary	15.59%	9.89%	5.7%	-0.79%	-1.51%
Consumer Staples	4.96%	12.15%	-7.19%	1.47%	-3.09%
Energy	9.14%	6.36%	2.78%	-10%	22.15%
Financials	18.42%	16.68%	1.74%	-0.03%	-1.38%
Health Care	5.48%	15.33%	-9.85%	0.57%	-0.46%
Industrials	11.84%	14.72%	-2.88%	0.99%	-3.57%
Information Technology	7.51%	7.04%	0.47%	-0.02%	-0.14%
Materials	4.75%	8.91%	-4.16%	22.82%	-46.46%
Other	3.08%	0%	3.08%	0%	-28.51%
Real Estate	4.56%	1.37%	3.19%	-0.13%	0.09%
Utilities	4.55%	4.26%	0.29%	-1.18%	10.11%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				**13.28%**	**-53.84%**
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				**-41%**	

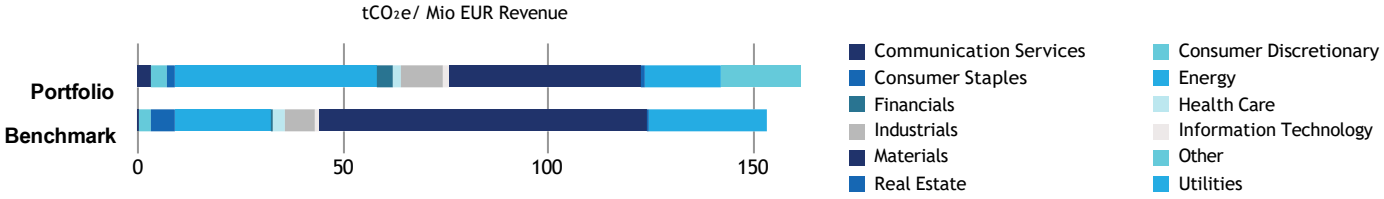
Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	0.94%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	-0.07%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.05%
6. SSAB AB	Materials	1,934.39	Outperformer	-0.03%
7. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
8. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
9. OCI NV	Materials	1,307.16	Medium Performer	-0.05%
10. Yara International ASA	Materials	1,232.25	Outperformer	-0.07%

Greenhouse Gas Emission Intensity

Weighted Avg Greenhouse Gas Intensity Sector Contribution



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. Euronav NV	6,788.19	1,575.06
2. Holcim Ltd.	5,089.38	6,882.41
3. Frontline Ltd.	3,347.53	1,356.02
4. Air Products and Chemicals, Inc.	2,801.41	1,698.15
5. Atlas Corp. (British Columbia)	2,385.06	1,575.06
6. ArcelorMittal SA	2,138.79	1,166.74
7. Air Liquide SA	1,557.89	1,698.15
8. Neoen SA	1,319.30	613.58
9. Air France-KLM SA	1,141.28	1,326.09
10. Vallourec SA	837.33	81.88

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Helium Fund's strategy in its current state is MISALIGNED with a SDS scenario by 2050. Helium Fund has a potential temperature increase of 2.3°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-27.89%	-6.97%	+54.81%	+192.71%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

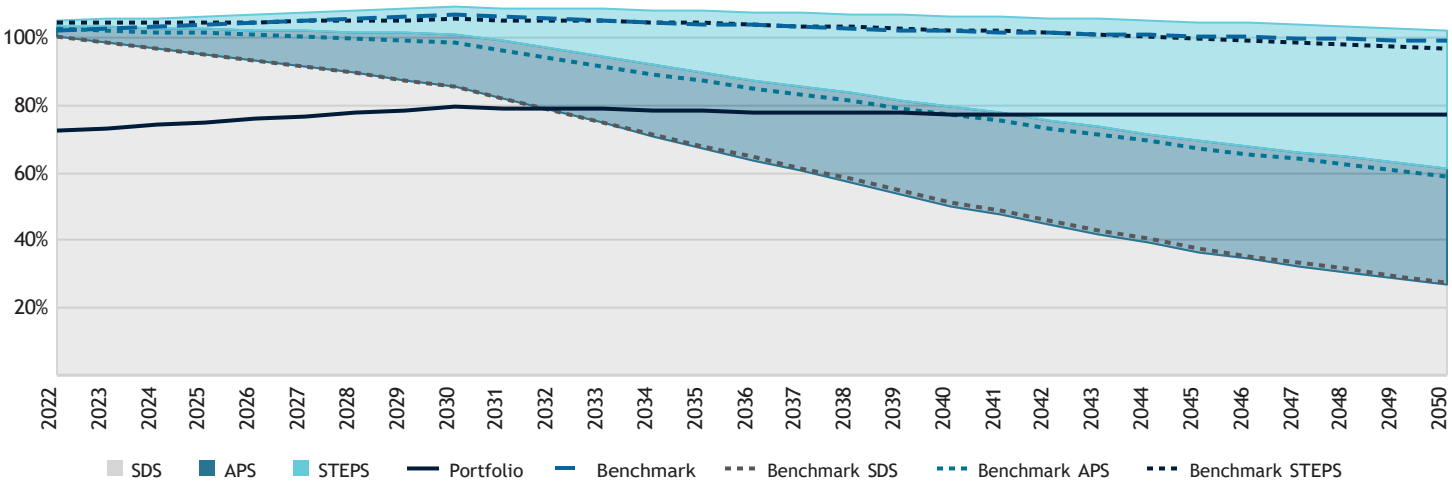
2032

The portfolio exceeds its SDS budget in 2032.

2.3°C

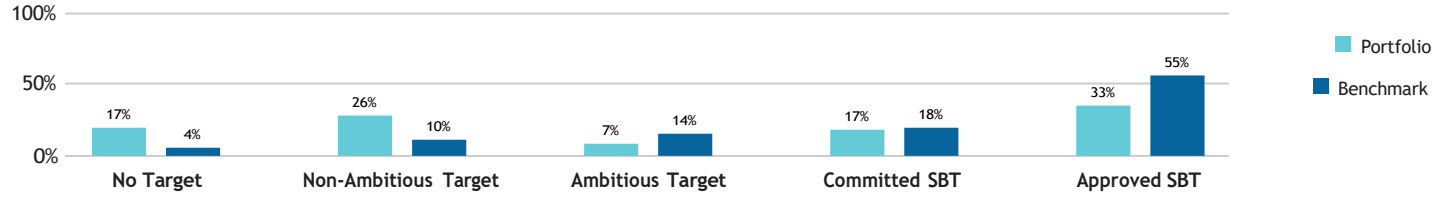
The portfolio is associated with a potential temperature increase of 2.3°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



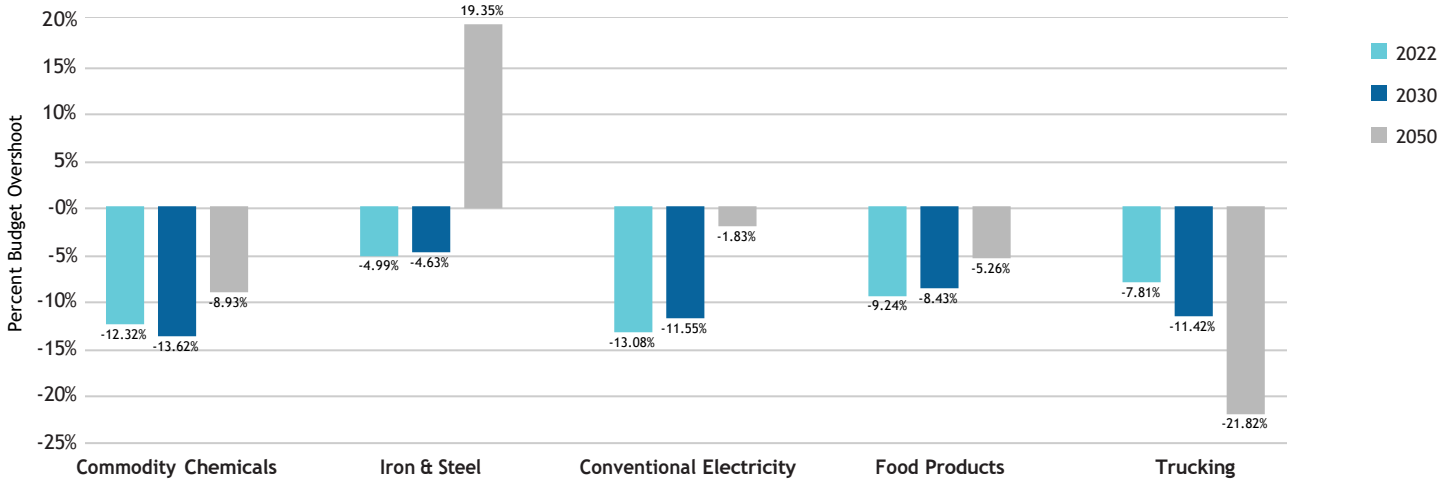
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 57% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 17% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

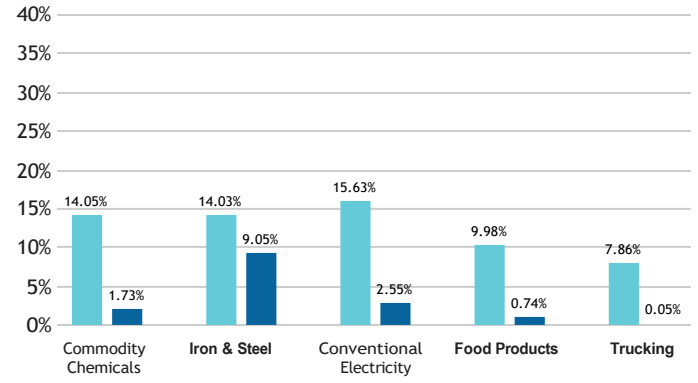
Sub-sector SDS Budget Overshoot



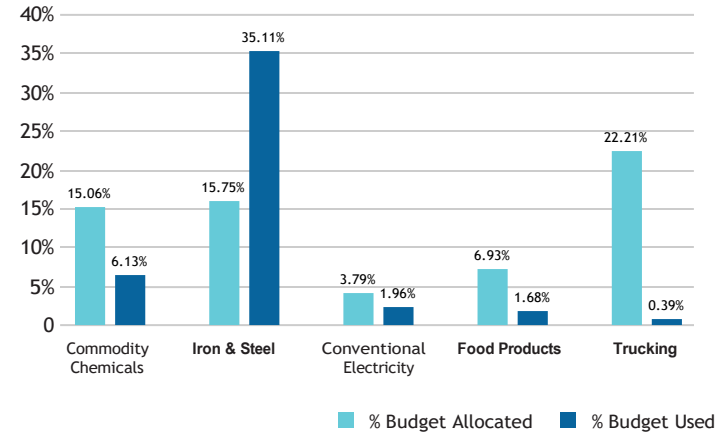
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

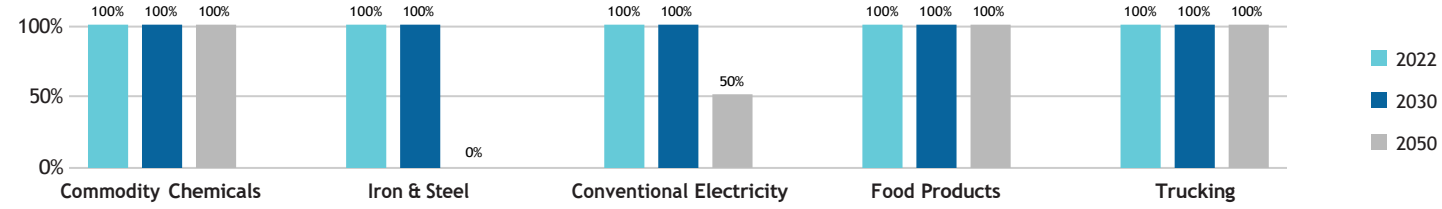
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



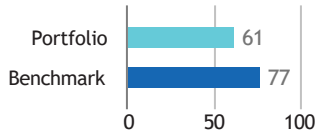
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



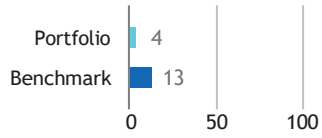
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

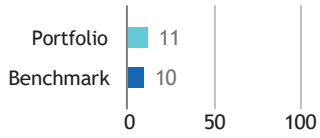
Material GHG Disclosure (%)



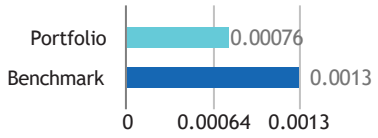
Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions ($GtCO_2e$)



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

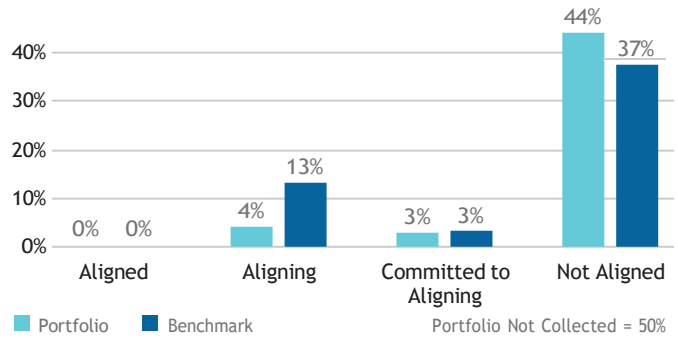
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	97.75	93.03	95.04	115.72	20.44	19.65	22.09	41.5	908.32	911.91	946.56	1.39 k
NZE Trajectory	-	81.4	60.95	0	-	17.02	12.75	0	-	756.35	566.39	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	1.79 k	1.78 k	1.87 k	2.72 k	672.78 k	671.52 k	697.15 k	1.01 M
NZE Trajectory	-	1.49 k	1.11 k	0	-	560.22 k	419.52 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	558.14 k	596.77 k	665.61 k	1.2 M

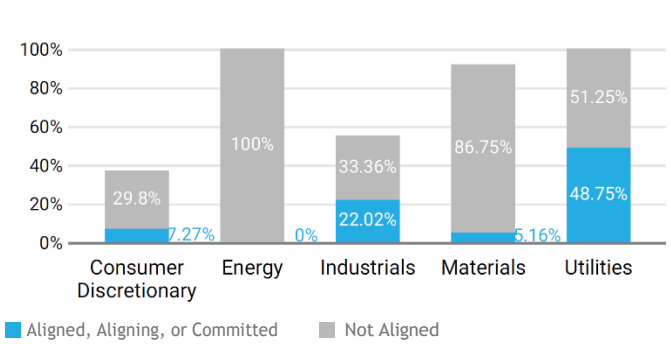
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as “Aligned”. An issuer is “Committed to Aligning” if it has set a NZ target for 2050 and “Aligning” if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered “Not Aligned”.

Target Alignment Status



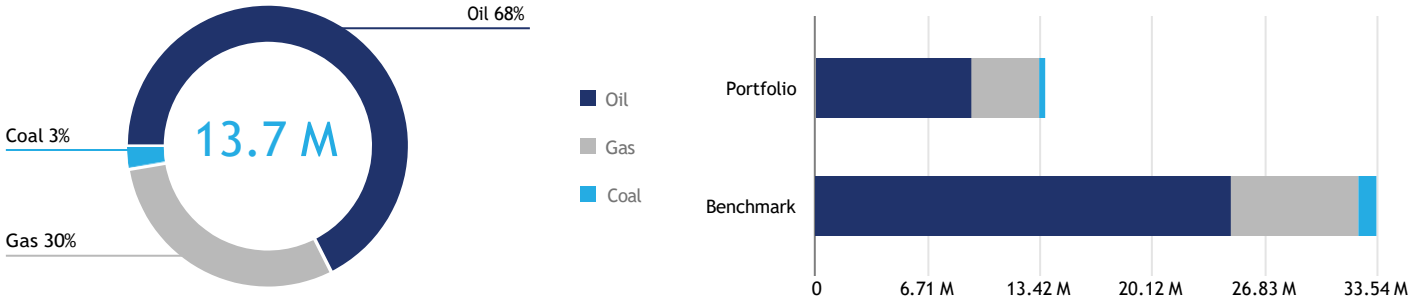
Alignment per High Impact Sector



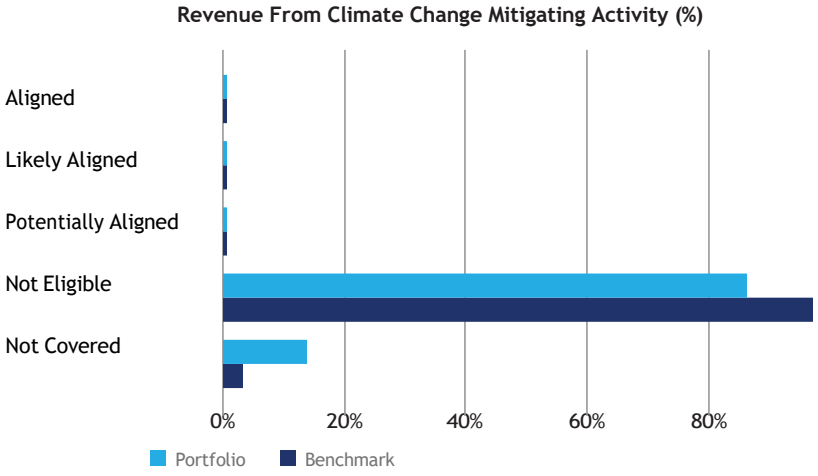
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 13.7 M EUR revenue linked to fossil fuels, which account for 3% of total portfolio revenue. Of the revenue from fossil fuels, 68% is attributed to oil, 30% to gas, and 3% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -59%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment. Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered “Not Eligible”. Where there is a lack of data to make an assessment, revenues are categorized as “Not Covered”.

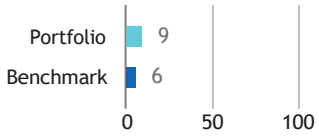
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
Aker BP ASA	8.17%	Energy	0%	Not aligned	Yes
BNP Paribas SA	3.09%	Financials	0%	Not aligned	No
Hunter Douglas NV	2.71%	Consumer Discretionary	0%	Not aligned	No
BASF SE	2.7%	Materials	0%	Not aligned	No
JPMorgan Chase & Co.	2.31%	Financials	0%	Not aligned	No

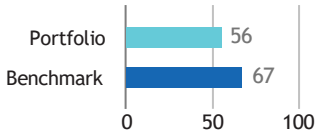
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

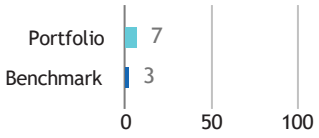
Transition Value at Risk (%)



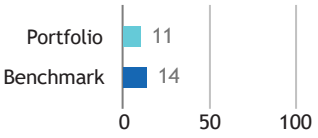
Issuers at Risk (%)



Portfolio Green Revenues (%)

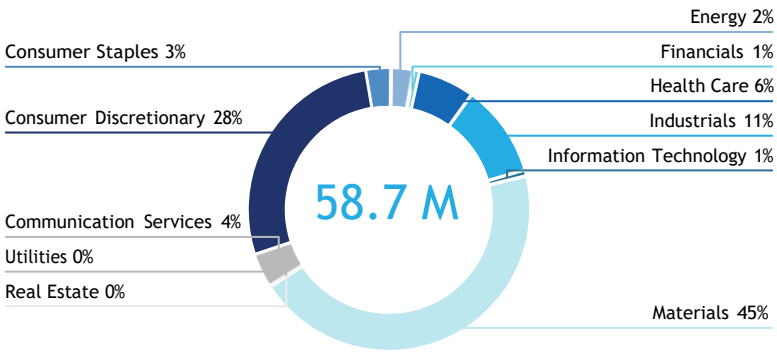


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 58.7 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
BASF SE	2.7%	Materials	100%	43.37%
ArcelorMittal SA	1.07%	Materials	100%	43.37%
Holcim Ltd.	0.24%	Materials	100%	43.37%
Air Products and Chemicals, Inc.	0.08%	Materials	100%	43.37%
Frontline Ltd.	0.08%	Energy	100%	48.72%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Siemens Gamesa Renewable Energy SA	2.16%	Industrials	100%	5.7%
Encavis AG	0.24%	Utilities	100%	11.39%
OSRAM Licht AG	3.03%	Industrials	73.1%	5.7%
Siemens Energy AG	0.21%	Industrials	40.5%	5.7%
ADVA Optical Networking SE	0.22%	Information Technology	30%	12.12%

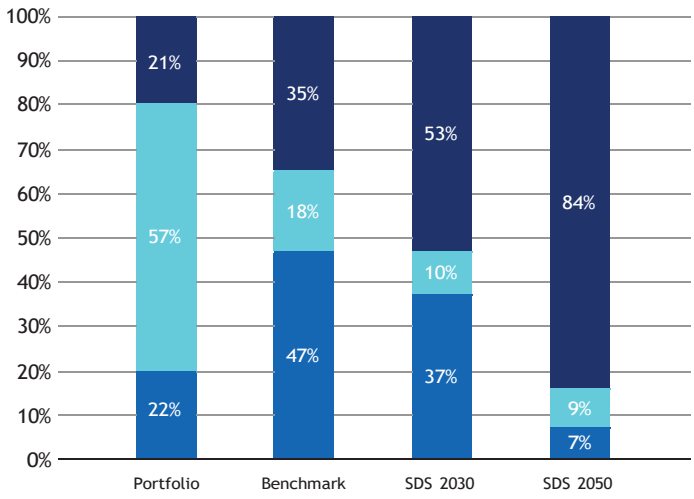
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	20.97%	21.84%	14.74%	755.38	55
Benchmark	35.08%	46.64%	8.74%	1,270.7	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



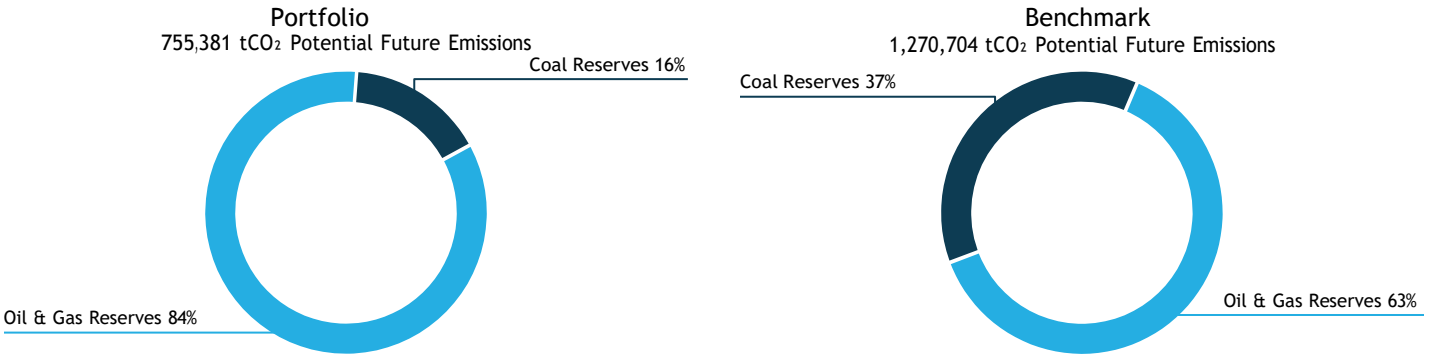
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Electricite de France SA	15.4%	28.2%	3.39%	52.87
Endesa SA	44.6%	39.7%	2.41%	201.8
Neoen SA	0%	85.2%	0.2%	89.68
Audax Renovables SA	0%	100%	0.1%	-
Voltalia	1.1%	98.9%	0.06%	9.61

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 755,381 tCO_2 of potential future emissions, of which 16% stem from Coal reserves, 84% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
Aker BP ASA	68.65%	94	-
BASF SE	15.13%	54	-
ArcelorMittal SA	12.79%	-	-
Anglo American plc	3.07%	-	67
BW Offshore Ltd.	0.28%	-	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

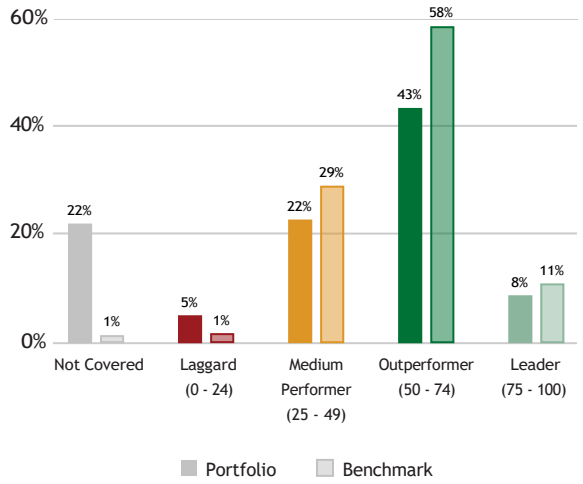
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
Aker BP ASA	8.17%	-	Production	-	-
BASF SE	2.7%	-	Production	-	Production
RPS Group plc	0.93%	-	Services	-	Services
Compagnie Generale des Etablissements Michel…	0.47%	-	Services	-	Services
Vallourec SA	0.44%	-	Services	Services	Services

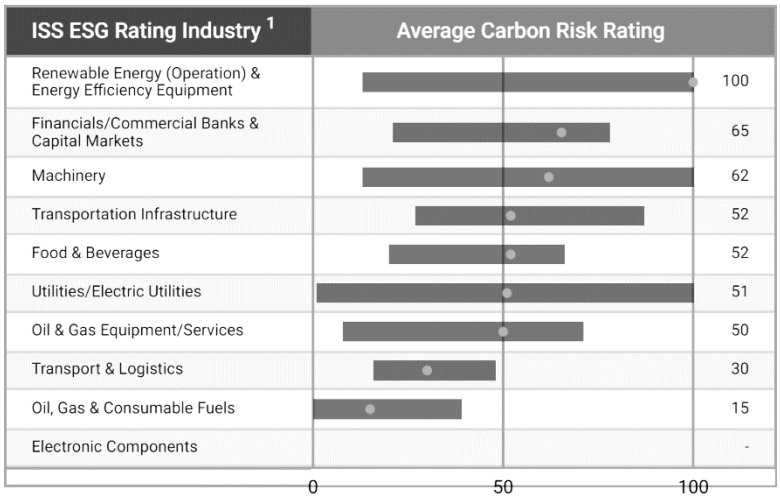
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	2.16%
Voltalia	France	Renewable Electricity	100	0.65%
Neoen SA	France	Renewable Electricity	100	0.4%
Encavis AG	Germany	Renewable Electricity	100	0.24%
Ipsen SA	France	Pharmaceuticals & Biotechnology	85	0.08%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Aker BP ASA	Norway	Oil & Gas Exploration & Production	21	8.17%
iRobot Corporation	USA	Electronic Devices & Appliances	20	0.21%
Frontline Ltd.	Bermuda	Marine Transportation	19	0.08%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	2.22%
Saudi Arabian Oil Co.	Saudi Arabia	Integrated Oil & Gas	9	0%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

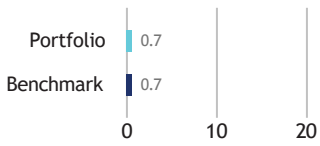
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

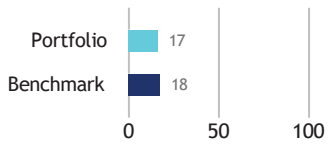
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

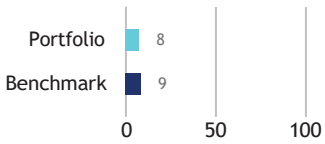
Portfolio Value at Risk (% change)



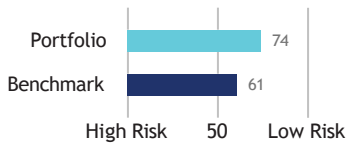
Issuers at Risk (%)



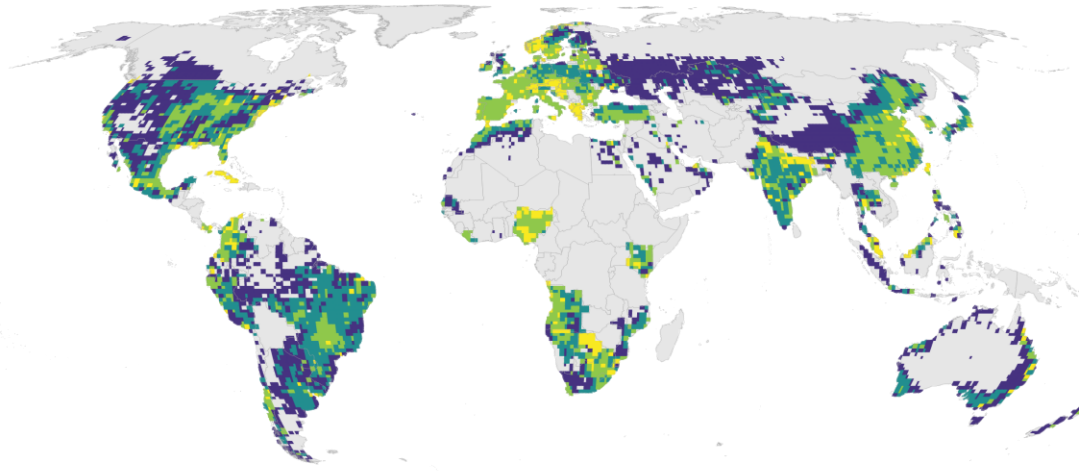
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



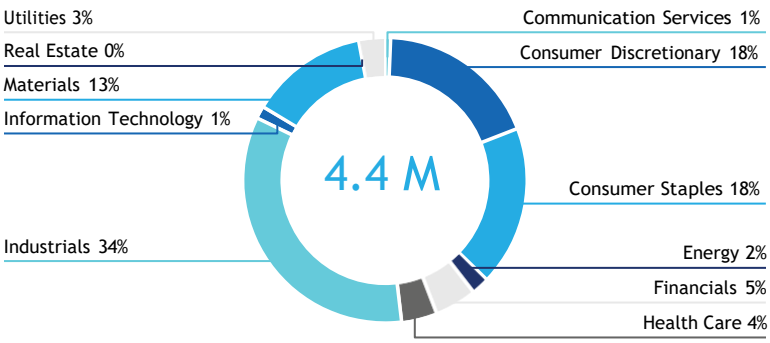
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

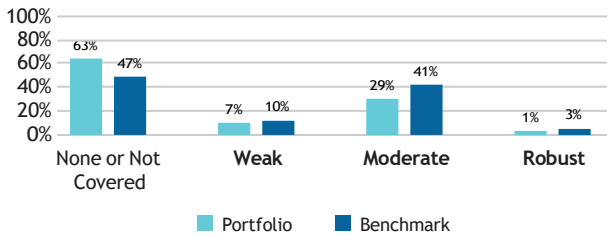
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

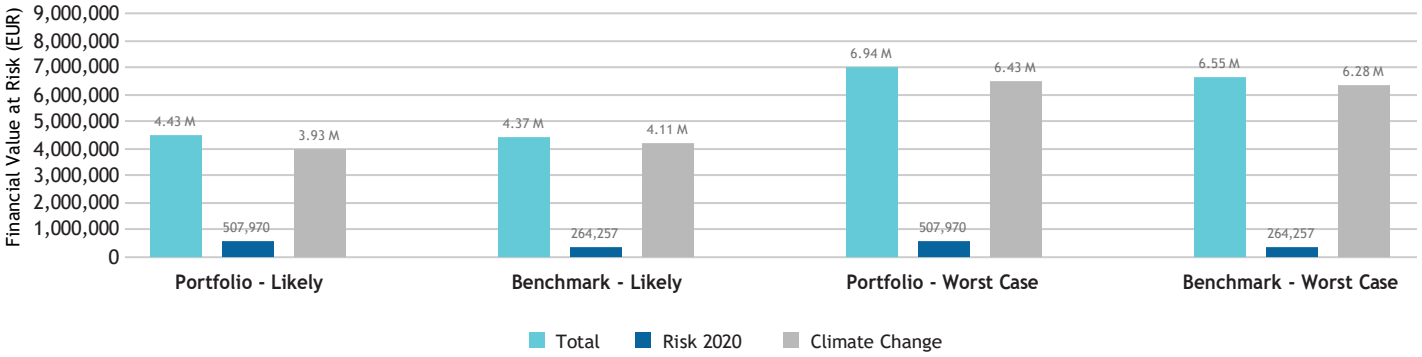


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

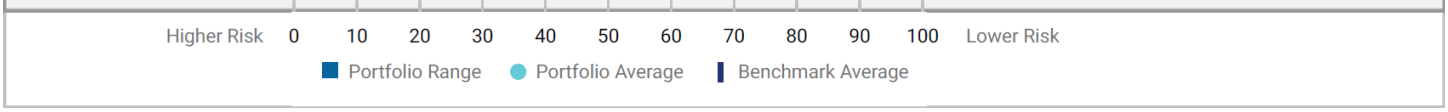
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

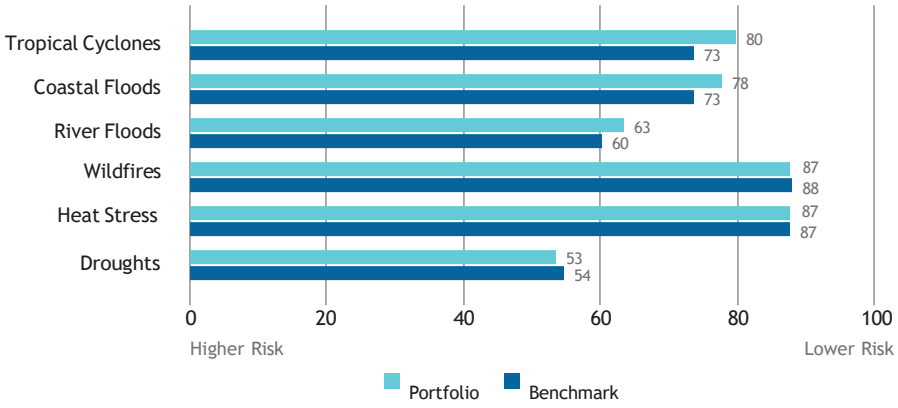
For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Consumer Staples		58	53	0.1%
Financials		60	65	<0.1%
Materials		62	63	<0.1%
Industrials		63	65	0.2%
Health Care		67	54	<0.1%
Consumer Discretionary		72	58	0.1%
Utilities		78	71	<0.1%
Communication Services		86	81	<0.1%
Real Estate		91	96	<0.1%
Energy		95	64	<0.1%
Information Technology		98	56	<0.1%
Other		-	-	0%



Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings — Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
Aker BP ASA	8.17%	Energy	100	Not Covered
Lagardere SA	4.26%	Communication Services	82	Not Covered
BNP Paribas SA	3.09%	Financials	74	Moderate
OSRAM Licht AG	3.03%	Industrials	42	Weak
Worldline SA	2.88%	Information Technology	100	Moderate

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Instituto Hermes Pardini SA	26	100	100	41	100	55	22	Not Covered
Atlas Corp. (British Columbia)	33	8	19	9	46	100	4	Not Covered
Mithra Pharmaceuticals SA	34	20	22	21	28	100	45	Not Covered
Christian Dior SE	36	42	39	36	41	42	50	Not Covered
LVMH Moet Hennessy Louis Vuitton SE	37	48	52	41	50	45	50	Moderate
Saudi Arabian Oil Co.	40	79	74	54	100	100	47	Not Covered
OSRAM Licht AG	42	35	32	48	100	50	50	Weak
Toshiba Corp.	42	45	40	46	100	60	50	Moderate
adidas AG	44	53	48	54	100	45	50	Moderate
Banco Santander SA	45	67	100	48	40	80	41	Moderate

HELIUM PERFORMANCE

Climate Report

A. Carbon Metrics

B. Climate Scenario Alignment

C. Net Zero Analysis

D. Transition Climate Risk Analysis

E. Physical Climate Risk Analysis

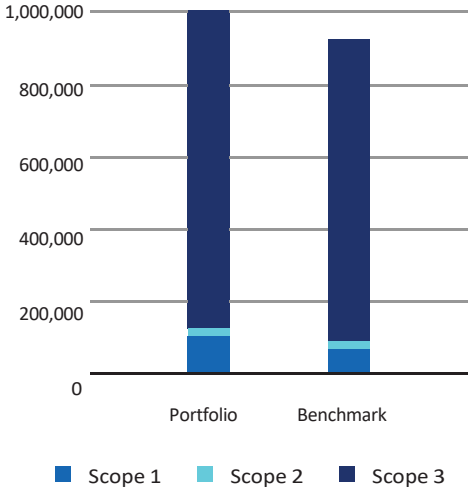
A. CARBON METRICS

Portfolio Overview[1]

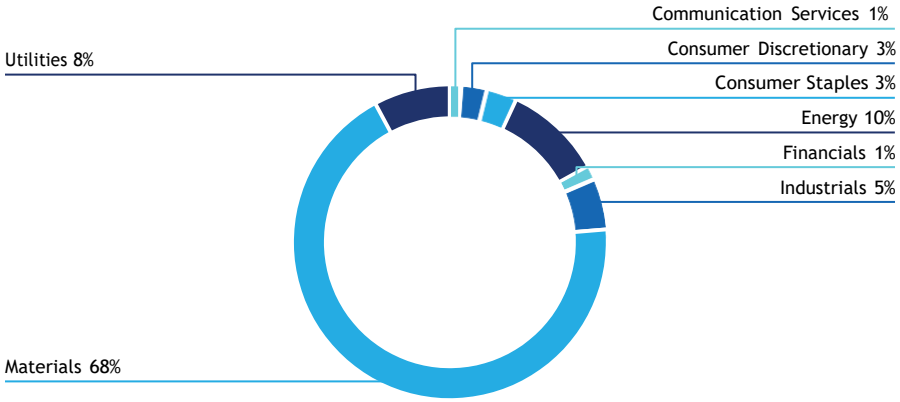
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested		tCO_2e/Revenue	Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	78.1% / 87.6%	124,601	1,024,589	115.63	175.43	159.45	57
Benchmark	96.8% / 98.4%	90,609	917,634	84.09	191.85	153.46	60
Net Performance	-18.8 p.p. /-10.8 p.p.	-37.5%	-11.7%	-37.5%	8.6%	-3.9%	—

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.

[2] Note: Carbon Risk Rating data is current as of the date of report generation.

[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
ArcelorMittal SA	32.73%	0.91%	Strong	Medium Performer
Yara International ASA	20.25%	1.90%	Moderate	Outperformer
BASF SE	7.64%	2.79%	Strong	Outperformer
Holcim Ltd.	5.59%	0.23%	Moderate	Medium Performer
Vallourec SA	4.88%	0.91%	Moderate	Outperformer
Fortum Oyj	3.88%	0.14%	Strong	Medium Performer
Electricite de France SA	3.51%	2.25%	Strong	Medium Performer
Aker BP ASA	2.09%	4.45%	Strong	Laggard
Air France-KLM SA	1.83%	0.24%	Strong	Medium Performer
OSRAM Licht AG	1.65%	2.87%	Strong	Medium Performer
Total for Top 10	84.06%	16.69%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs.Benchmark

Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	11%	3.29%	7.71%	-0.47%	-1.03%
Consumer Discretionary	15.47%	9.89%	5.58%	-0.77%	-1.36%
Consumer Staples	5.31%	12.15%	-6.84%	1.4%	-3.12%
Energy	7.7%	6.36%	1.34%	-4.81%	14.01%
Financials	19.04%	16.68%	2.36%	-0.04%	-1.72%
Health Care	5%	15.33%	-10.33%	0.59%	-0.44%
Industrials	12.65%	14.72%	-2.08%	0.71%	-2.75%
Information Technology	8.69%	7.04%	1.65%	-0.08%	-0.32%
Materials	6.69%	8.91%	-2.23%	12.2%	-56.44%
Other	0.57%	0%	0.57%	0%	0%
Real Estate	4.07%	1.37%	2.7%	-0.11%	0.09%
Utilities	3.82%	4.26%	-0.44%	1.81%	5.11%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				10.44%	-47.96%
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				-38%	

Emission Attribution Analysis (continued)

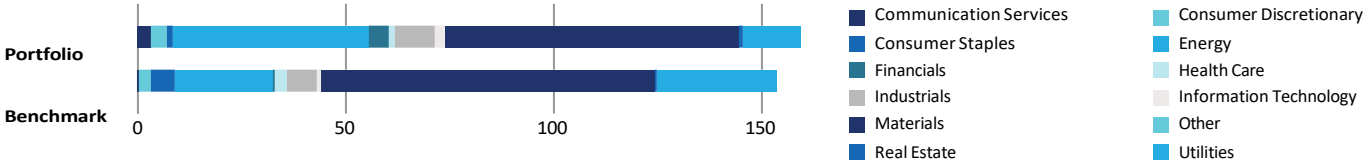
Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	0.78%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	0.06%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.06%
6. SSAB AB	Materials	1,934.39	Outperformer	-0.03%
7. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
8. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
9. OCI NV	Materials	1,307.16	Medium Performer	-0.05%
10. Yara International ASA	Materials	1,232.25	Outperformer	1.83%

Greenhouse Gas Emission Intensity

Weighted Avg Greenhouse Gas Intensity Sector Contribution

tCO_2e/ Mio EUR Revenue



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. Euronav NV	6,788.19	1,575.06
2. Holcim Ltd.	5,089.38	6,882.41
3. Frontline Ltd.	3,347.53	1,356.02
4. Air Products and Chemicals, Inc.	2,801.41	1,698.15
5. Atlas Corp. (British Columbia)	2,385.06	1,575.06
6. ArcelorMittal SA	2,138.79	1,166.74
7. Air Liquide SA	1,557.89	1,698.15
8. Neoen SA	1,319.30	613.58
9. Yara International ASA	1,246.03	762.74
10. Air France-KLM SA	1,141.28	1,326.09

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Helium Performance's strategy in its current state is MISALIGNED with a SDS scenario by 2050. Helium Performance has a potential temperature increase of 2.2°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-35.59%	-18.45%	+37.17%	+172.81%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

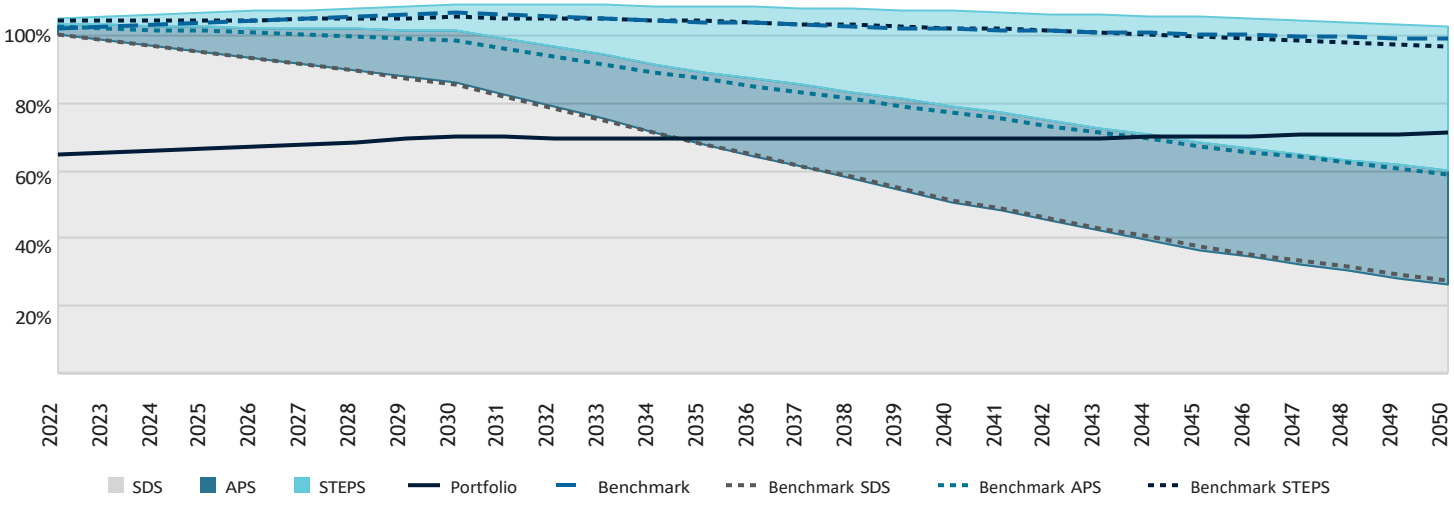
2035

The portfolio exceeds its SDS budget in 2035.

2.2°C

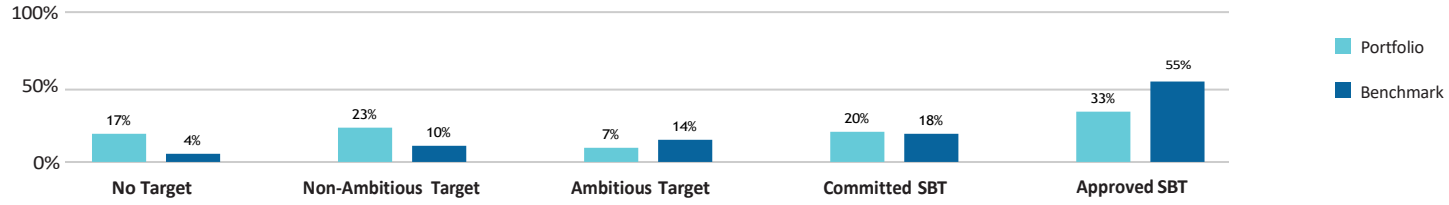
The portfolio is associated with a potential temperature increase of 2.2°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



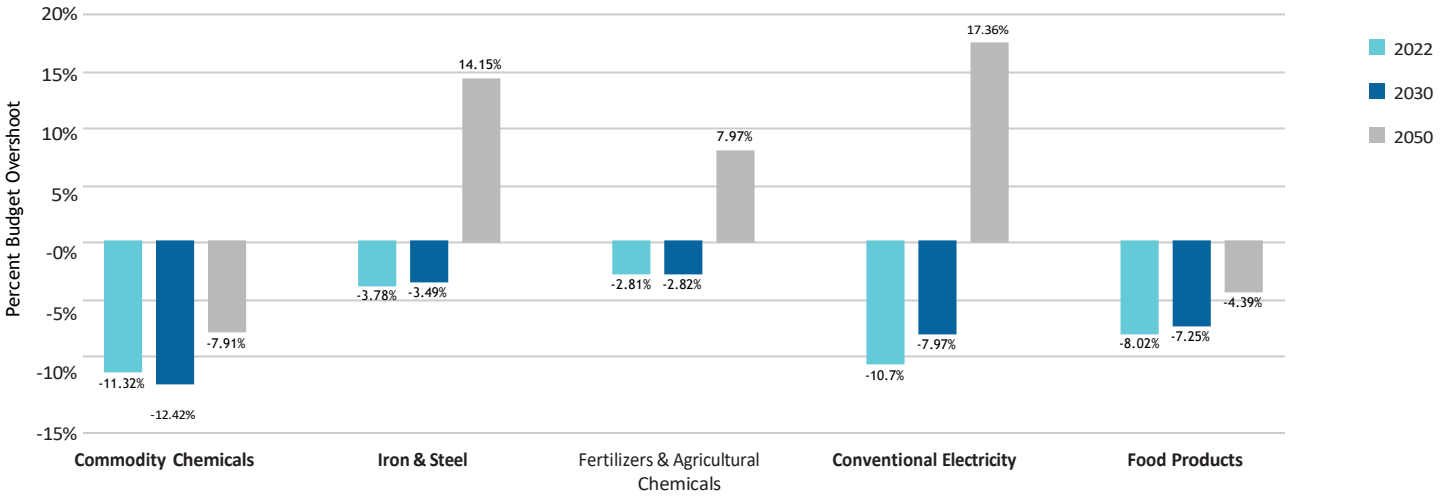
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 60% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 17% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

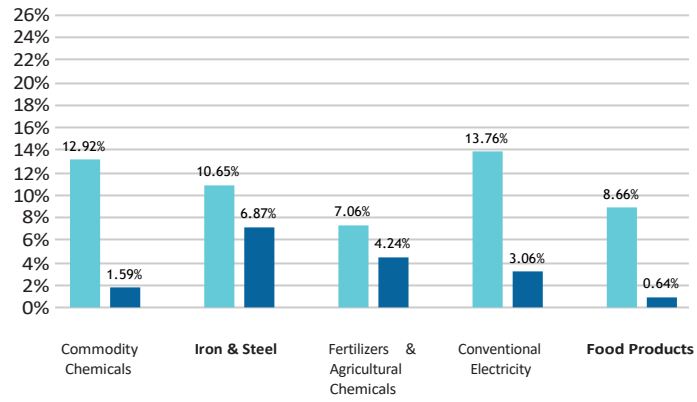
Sub-sector SDS Budget Overshoot



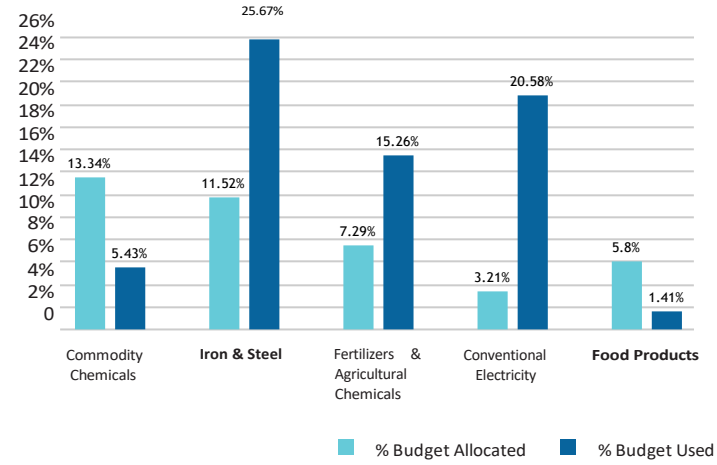
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

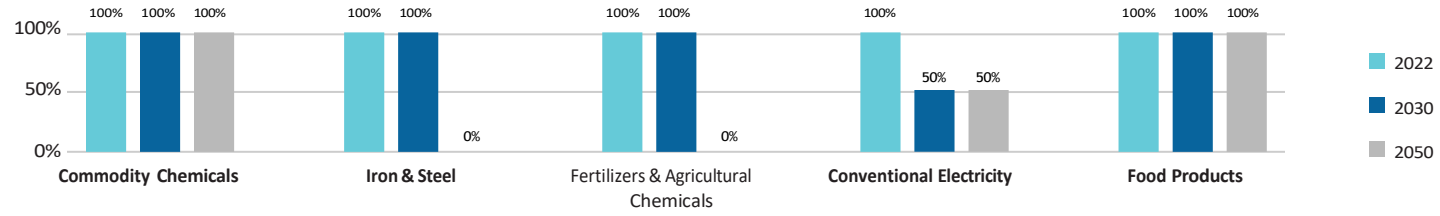
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



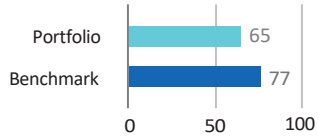
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



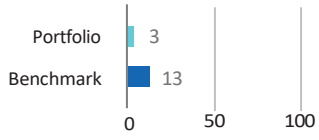
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

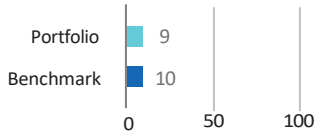
Material GHG Disclosure (%)



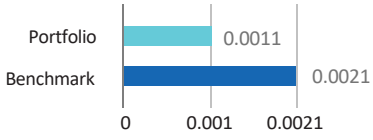
Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions ($GtCO_2e$)



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

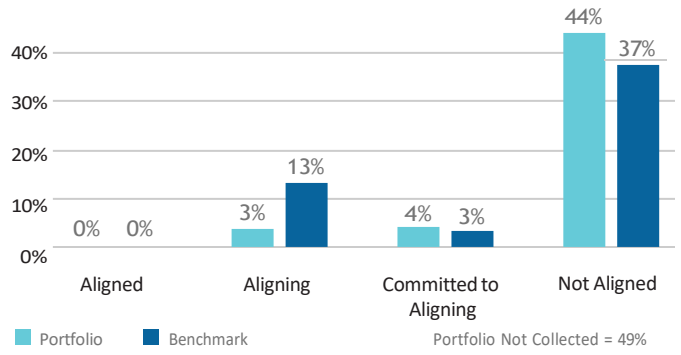
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	100.27	106.44	116.54	192.67	15.37	16.56	18.71	36.87	835.22	864.53	941.36	1.66 k
NZE Trajectory	-	83.49	62.52	0	-	12.8	9.58	0	-	695.49	520.81	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	1.54 k	1.57 k	1.71 k	2.9 k	1.02 M	1.06 M	1.16 M	2.03 M
NZE Trajectory	-	1.28 k	959.72	0	-	853.17 k	638.9 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	917.63 k	981.15 k	1.09 M	1.97 M

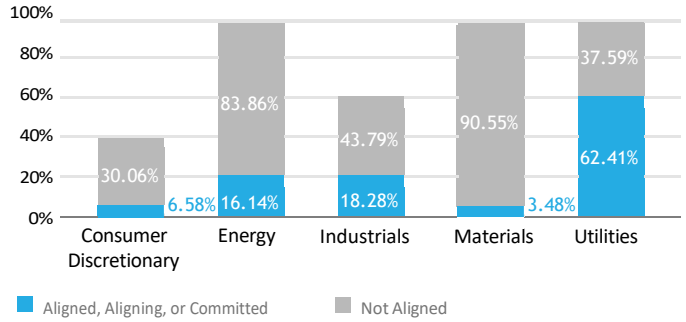
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as "Aligned". An issuer is "Committed to Aligning" if it has set a NZ target for 2050 and "Aligning" if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered "Not Aligned".

Target Alignment Status



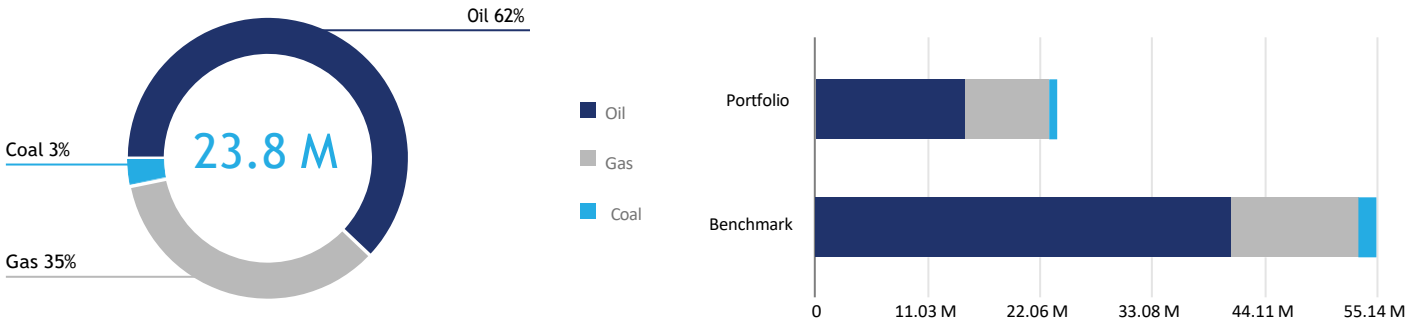
Alignment per High Impact Sector



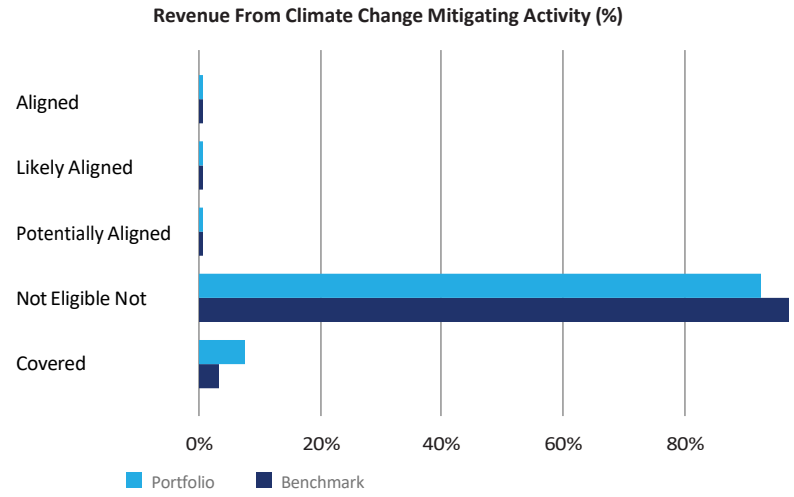
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 23.8 M EUR revenue linked to fossil fuels, which account for 3% of total portfolio revenue. Of the revenue from fossil fuels, 62% is attributed to oil, 35% to gas, and 3% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -57%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment.
Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered "Not Eligible". Where there is a lack of data to make an assessment, revenues are categorized as "Not Covered".

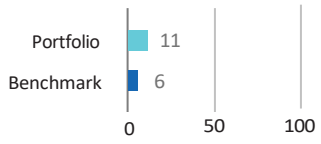
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
Aker BP ASA	4.45%	Energy	0%	Not aligned	Yes
Hunter Douglas NV	3.16%	Consumer Discretionary	0%	Not aligned	No
BASF SE	2.79%	Materials	0%	Not aligned	No
BNP Paribas SA	2.57%	Financials	0%	Not aligned	No
JPMorgan Chase & Co.	2.33%	Financials	0%	Not aligned	No

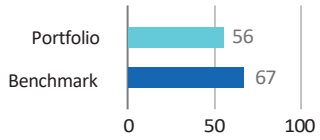
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

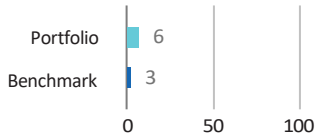
Transition Value at Risk (%)



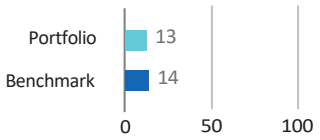
Issuers at Risk (%)



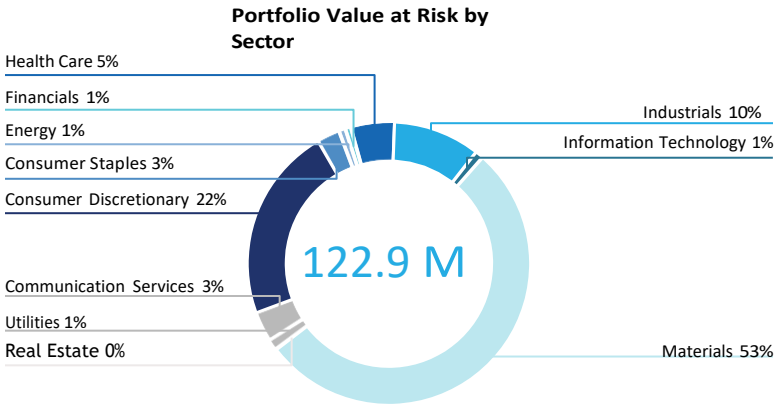
Portfolio Green Revenues (%)



Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050



The total estimated Transition Value at Risk for the portfolio is 122.9 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk

presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
BASF SE	2.79%	Materials	100%	43.37%
Yara International ASA	1.9%	Materials	100%	43.37%
ArcelorMittal SA	0.91%	Materials	100%	43.37%
Holcim Ltd.	0.23%	Materials	100%	43.37%
Air Products and Chemicals, Inc.	0.17%	Materials	100%	43.37%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Siemens Gamesa Renewable Energy SA	2.07%	Industrials	100%	5.7%
Encavis AG	0.26%	Utilities	100%	11.39%
OSRAM Licht AG	2.87%	Industrials	73.1%	5.7%
Fortum Oyj	0.14%	Utilities	35.6%	11.39%
ADVA Optical Networking SE	0.21%	Information Technology	30%	12.12%

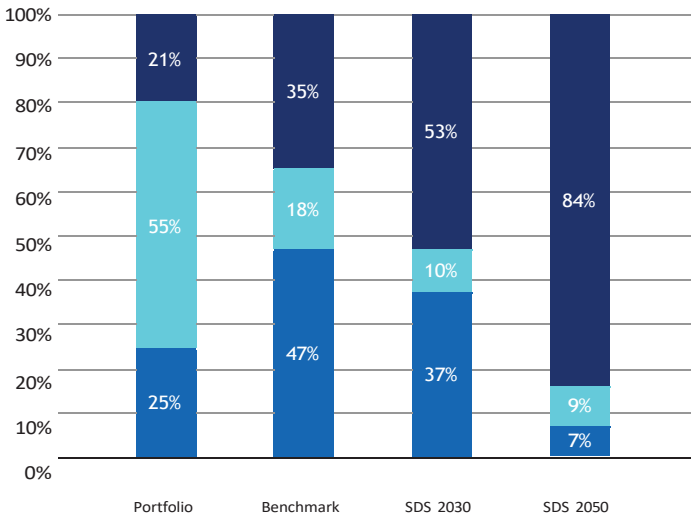
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	20.85%	24.54%	12.57%	1,117.23	57
Benchmark	35.08%	46.64%	8.74%	2,089.16	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



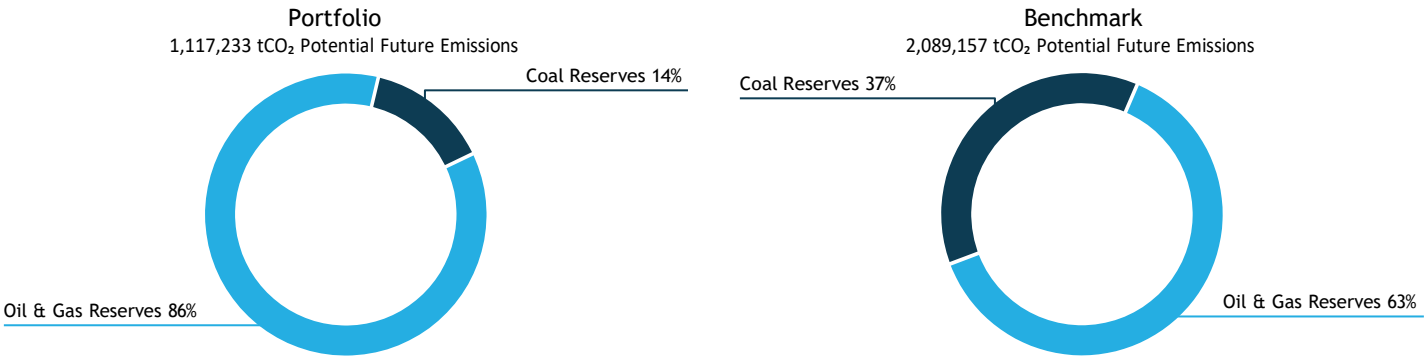
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Fortum Oyj	60.9%	18.3%	3.88%	371.74
Electricite de France SA	15.4%	28.2%	3.51%	52.87
Neoen SA	0%	85.2%	0.2%	89.68
Audax Renovables SA	0%	100%	0.11%	-
Voltalia	1.1%	98.9%	0.06%	9.61

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 1,117,233 tCO_2 of potential future emissions, of which 14% stem from Coal reserves, 86% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
Aker BP ASA	41.56%	94	-
BASF SE	17.36%	54	-
Equinor ASA	15.78%	25	-
ArcelorMittal SA	12.11%	-	-
Var Energi AS	10.58%	87	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

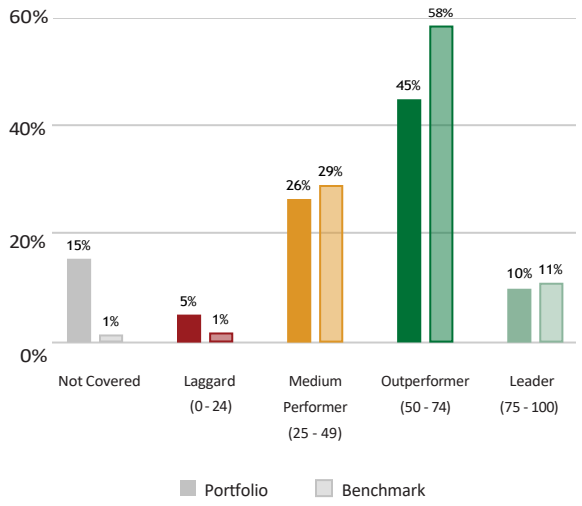
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
Aker BP ASA	4.45%	-	Production	-	-
BASF SE	2.79%	-	Production	-	Production
Equinor ASA	1.24%	-	Production	-	Production
Vallourec SA	0.91%	-	Services	Services	Services
Compagnie Generale des Etablissements Michel…	0.32%	-	Services	-	Services

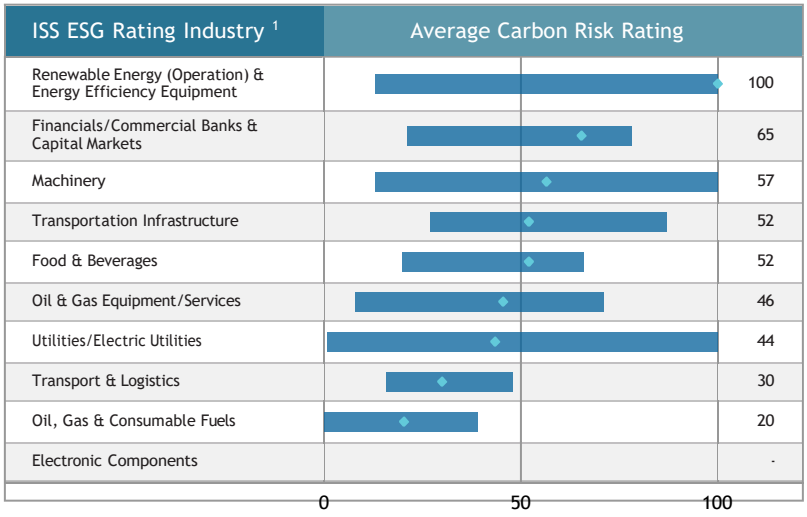
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	2.07%
Voltalia	France	Renewable Electricity	100	0.66%
Neoen SA	France	Renewable Electricity	100	0.39%
Encavis AG	Germany	Renewable Electricity	100	0.26%
Ipsen SA	France	Pharmaceuticals & Biotechnology	85	0.09%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Aker BP ASA	Norway	Oil & Gas Exploration & Production	21	4.45%
iRobot Corporation	USA	Electronic Devices & Appliances	20	0.21%
Frontline Ltd.	Bermuda	Marine Transportation	19	0.08%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	2.29%
Saudi Arabian Oil Co.	Saudi Arabia	Integrated Oil & Gas	9	0%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

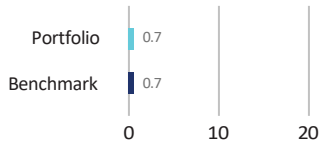
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

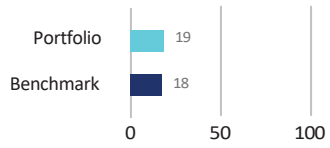
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

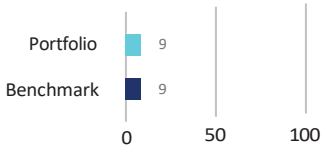
Portfolio Value at Risk (% change)



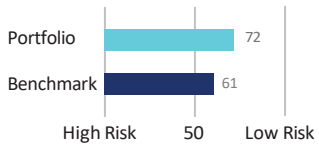
Issuers at Risk (%)



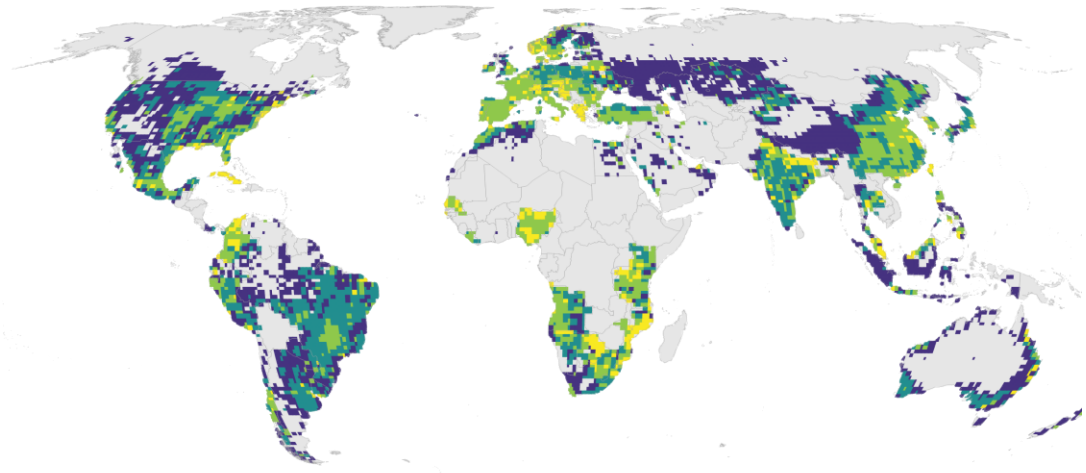
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



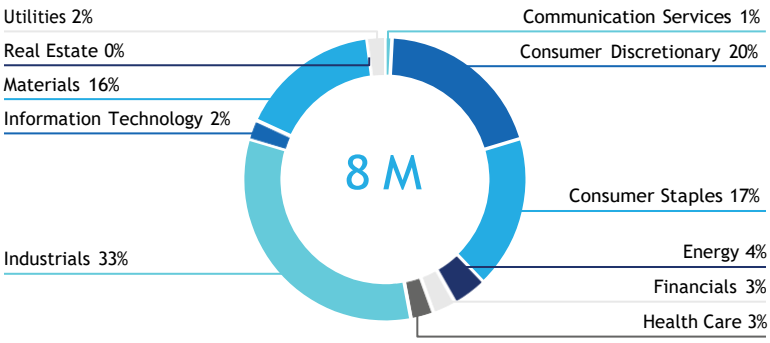
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

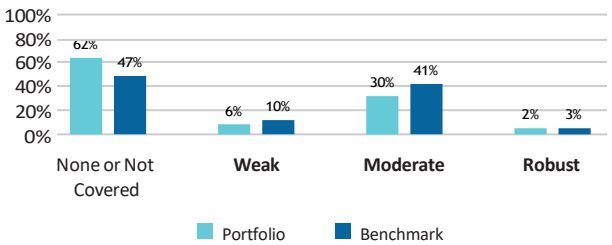
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

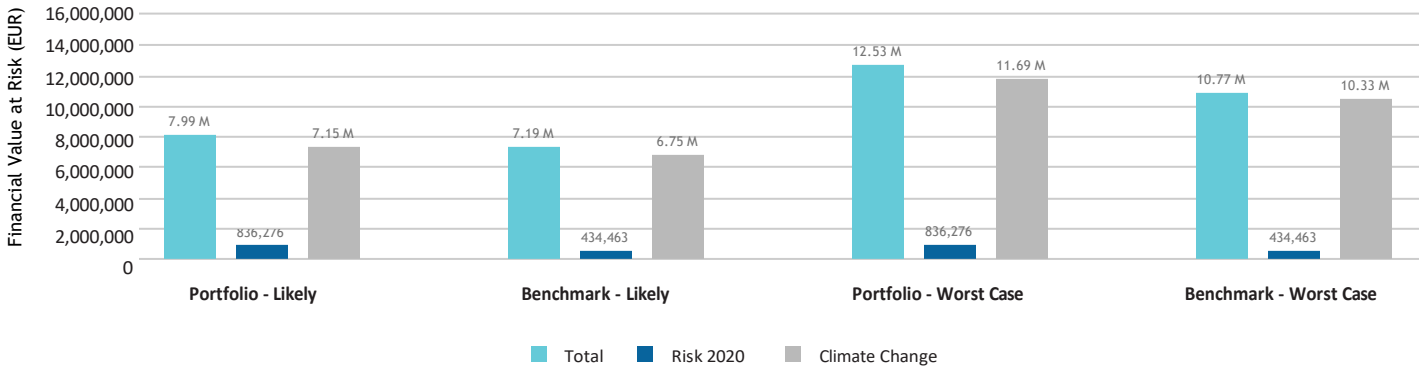


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

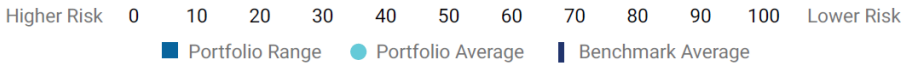
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

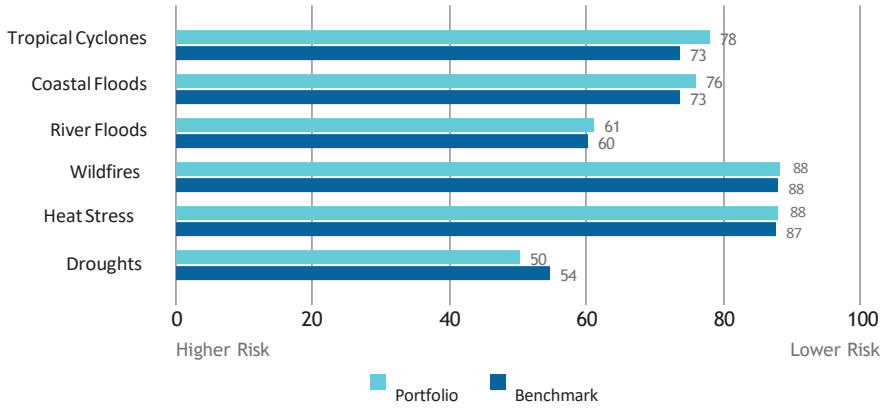
For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Consumer Staples		58	53	0.1%
Materials		58	63	0.1%
Financials		62	65	<0.1%
Industrials		62	65	0.2%
Health Care		68	54	<0.1%
Consumer Discretionary		71	58	0.1%
Utilities		80	71	<0.1%
Communication Services		85	81	<0.1%
Energy		87	64	<0.1%
Real Estate		90	96	<0.1%
Information Technology		93	56	<0.1%
Other		-	-	0%



Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings – Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
Lagardere SA	4.58%	Communication Services	82	Not Covered
Aker BP ASA	4.45%	Energy	100	Not Covered
Hunter Douglas NV	3.16%	Consumer Discretionary	88	Not Covered
Worldline SA	2.95%	Information Technology	100	Moderate
OSRAM Licht AG	2.87%	Industrials	42	Weak

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Atlas Corp. (British Columbia)	33	8	19	9	46	100	4	Not Covered
Mithra Pharmaceuticals SA	34	20	22	21	28	100	45	Not Covered
Christian Dior SE	36	42	39	36	41	42	50	Not Covered
LVMH Moet Hennessy Louis Vuitton SE	37	48	52	41	50	45	50	Moderate
Saudi Arabian Oil Co.	40	79	74	54	100	100	47	Not Covered
OSRAM Licht AG	42	35	32	48	100	50	50	Weak
Toshiba Corp.	42	45	40	46	100	60	50	Moderate
TechnipFMC plc	43	77	68	68	100	100	44	Not Covered
adidas AG	44	53	48	54	100	45	50	Moderate

HELIUM SELECTION

Climate Report

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

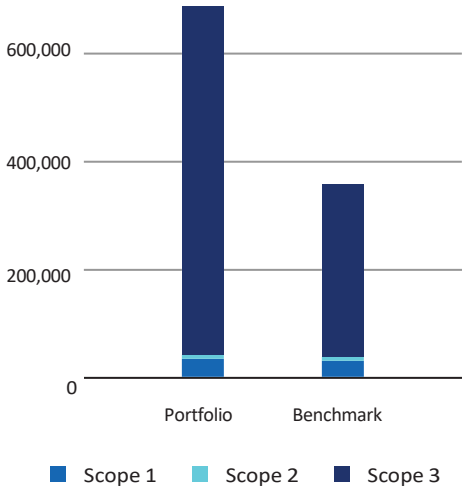
A. CARBON METRICS

Portfolio Overview[1]

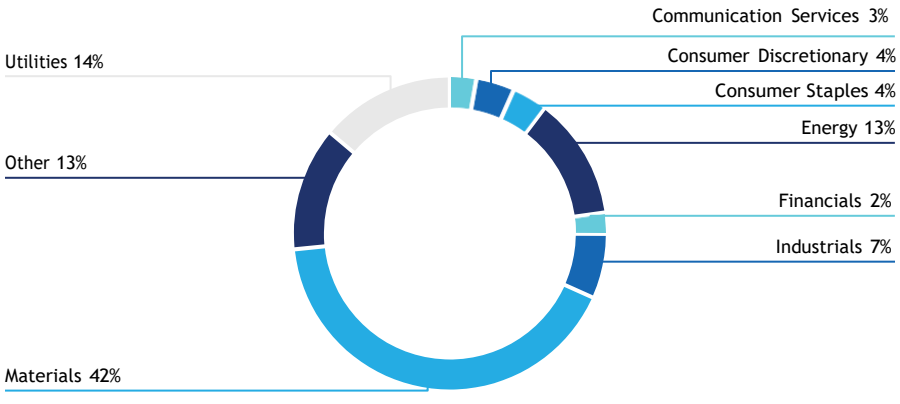
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested	Relative Emission Exposure tCO_2e/Revenue		Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	75% / 86.6%	41,757	684,975	100.27	140.03	142.12	57
Benchmark	96.8% / 98.4%	35,017	354,635	84.09	191.85	153.46	60
Net Performance	-21.8 p.p. /-11.8 p.p.	-19.2%	-93.1%	-19.2%	27%	7.4%	—

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.
[2] Note: Carbon Risk Rating data is current as of the date of report generation.
[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
ArcelorMittal SA	29.05%	0.70%	Strong	Medium Performer
Ahlstrom Holding 3 Oy	12.62%	1.42%	Inconsistent	-
BASF SE	9.01%	2.86%	Strong	Outperformer
Vallourec SA	8.48%	1.38%	Moderate	Outperformer
Fortum Oyj	7.72%	0.24%	Strong	Medium Performer
Electricite de France SA	5.60%	3.11%	Strong	Medium Performer
Air France-KLM SA	3.36%	0.38%	Strong	Medium Performer
Aker BP ASA	2.14%	3.94%	Strong	Laggard
Telenor ASA	1.63%	3.56%	Moderate	Outperformer
Bel SA	1.56%	1.06%	Strong	-
Total for Top 10	81.17%	18.64%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs.Benchmark

Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	15.21%	3.29%	11.92%	-0.72%	-2.33%
Consumer Discretionary	17.05%	9.89%	7.17%	-0.99%	-2.23%
Consumer Staples	6.56%	12.15%	-5.6%	1.14%	-2.94%
Energy	5.95%	6.36%	-0.41%	1.47%	6.61%
Financials	16.63%	16.68%	-0.05%	0%	-2.31%
Health Care	5.14%	15.33%	-10.19%	0.58%	-0.48%
Industrials	10.67%	14.72%	-4.05%	1.39%	-4.18%
Information Technology	7.97%	7.04%	0.93%	-0.04%	-0.19%
Materials	4.77%	8.91%	-4.15%	22.73%	-22.98%
Other	1.68%	0%	1.68%	0%	-15.05%
Real Estate	3.75%	1.37%	2.38%	-0.1%	0.09%
Utilities	4.62%	4.26%	0.36%	-1.48%	2.74%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				**24%**	**-43.24%**
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				**-19%**	

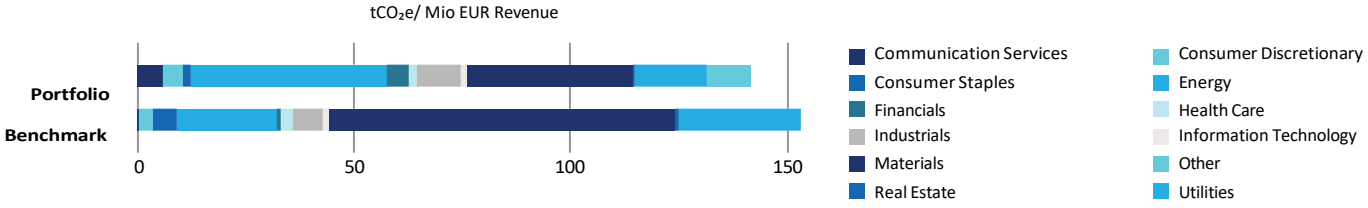
Emission Attribution Analysis

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	0.57%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	0.17%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.29%
6. SSAB AB	Materials	1,934.39	Outperformer	-0.03%
7. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
8. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
9. OCI NV	Materials	1,307.16	Medium Performer	-0.05%
10. Yara International ASA	Materials	1,232.25	Outperformer	-0.07%

Greenhouse Gas Emission Intensity

Weighted Avg Greenhouse Gas Intensity Sector Contribution



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. Euronav NV	6,788.19	1,575.06
2. Frontline Ltd.	3,347.53	1,356.02
3. Air Products and Chemicals, Inc.	2,801.41	1,698.15
4. Atlas Corp. (British Columbia)	2,385.06	1,575.06
5. ArcelorMittal SA	2,138.79	1,166.74
6. Air Liquide SA	1,557.89	1,698.15
7. Neoen SA	1,319.30	613.58
8. Air France-KLM SA	1,141.28	1,326.09
9. Vallourec SA	837.33	81.88
10. Ahlstrom Holding 3 Oy	721.34	698.18

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Helium Selection's strategy in its current state is MISALIGNED with a SDS scenario by 2050. Helium Selection has a potential temperature increase of 2.1°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-49.14%	-33.63%	+19.79%	+154.74%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

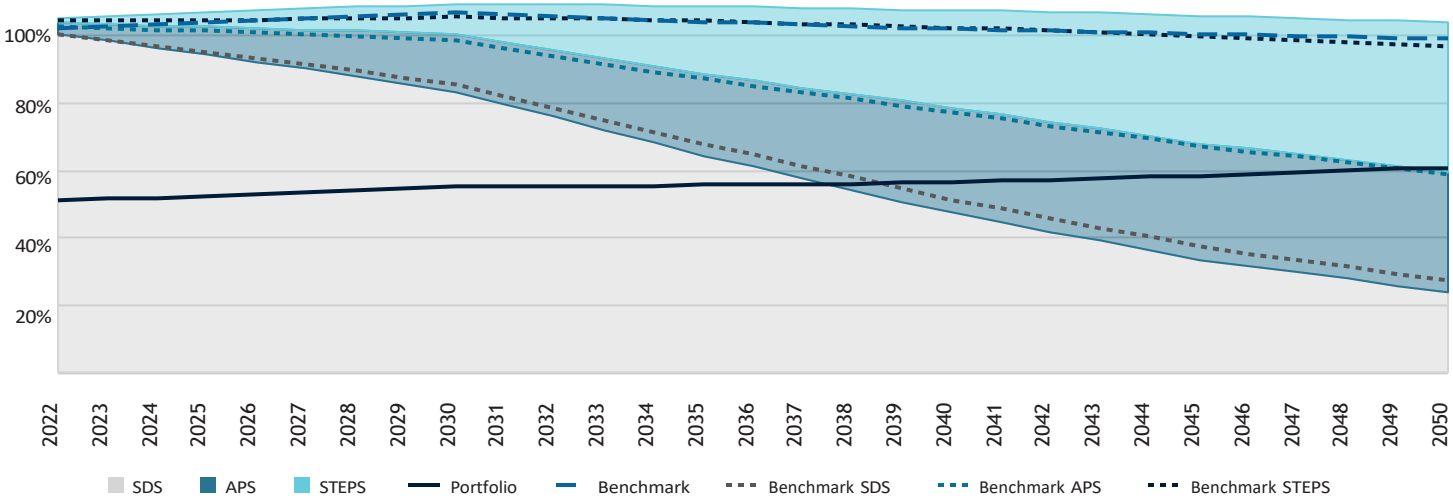
2038

The portfolio exceeds its SDS budget in 2038.

2.1°C

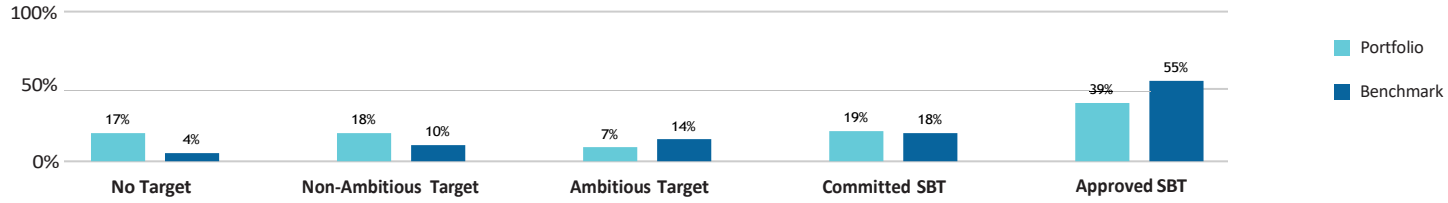
The portfolio is associated with a potential temperature increase of 2.1°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



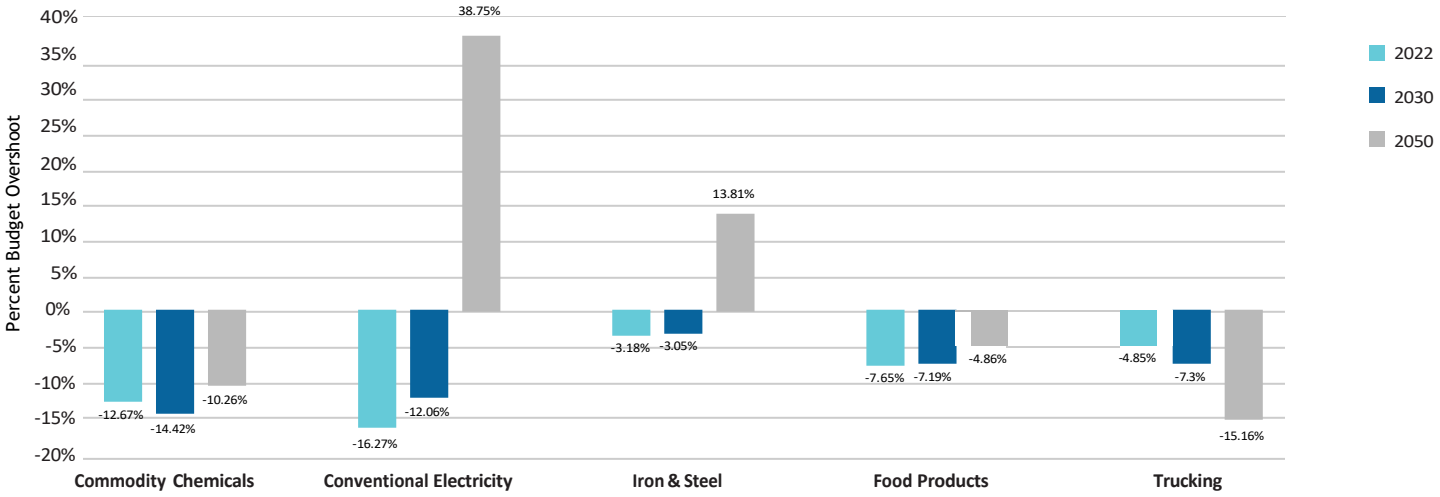
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 65% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 17% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

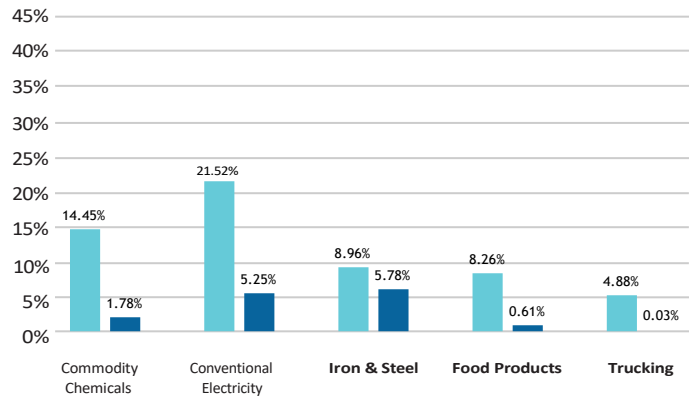
Sub-sector SDS Budget Overshoot



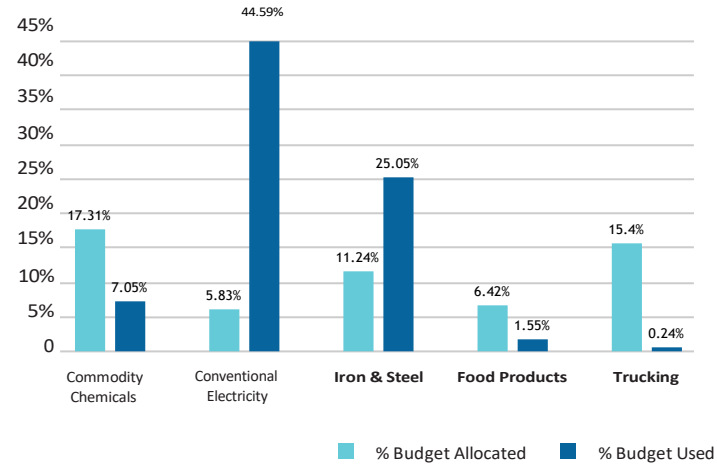
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

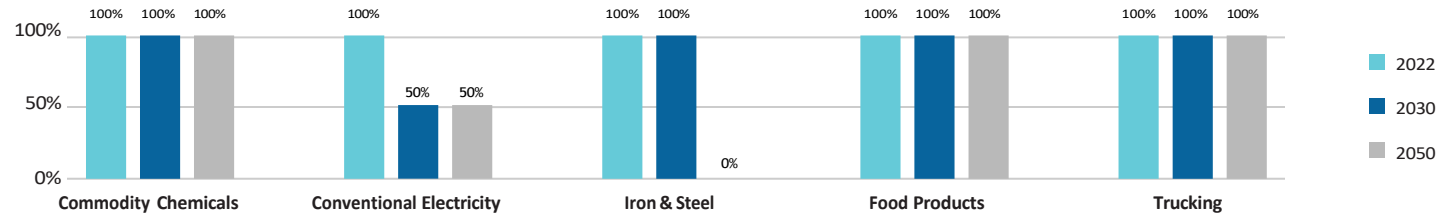
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050

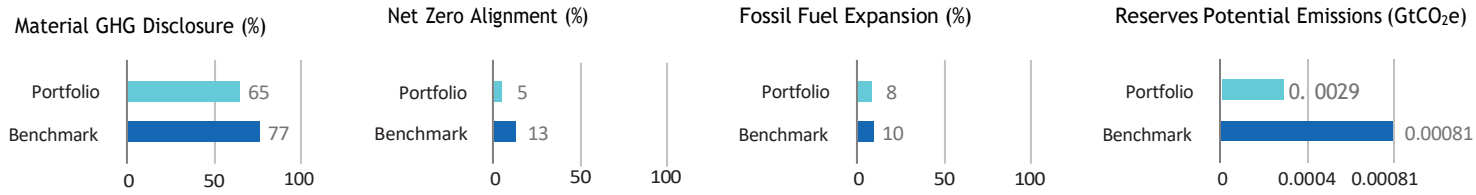


Percent of Holdings SDS Aligned in 2022, 2030, and 2050



C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

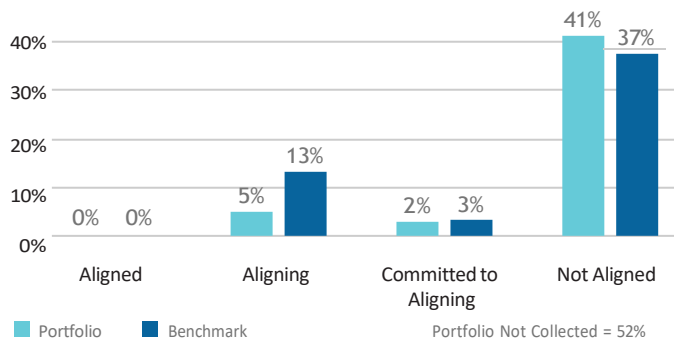
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	81.56	81.61	86.68	125.38	18.71	19.16	21.95	44.69	1.54 k	1.53 k	1.56 k	2.1 k
NZE Trajectory	-	67.92	50.86	0	-	15.58	11.67	0	-	1.29 k	963.15	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	1.79 k	1.79 k	1.87 k	2.72 k	684.98 k	681.04 k	696.46 k	944.8 k
NZE Trajectory	-	1.49 k	1.11 k	0	-	570.38 k	427.13 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	354.64 k	379.18 k	422.92 k	760.18 k

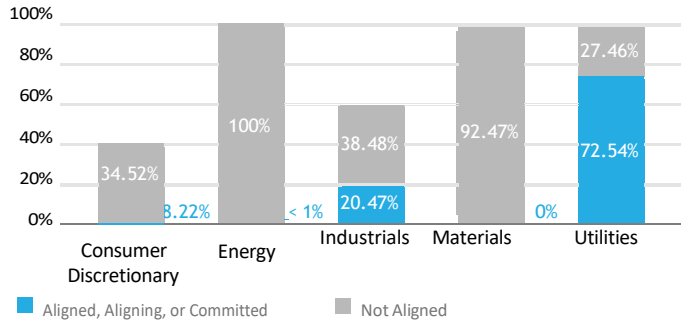
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as "Aligned". An issuer is "Committed to Aligning" if it has set a NZ target for 2050 and "Aligning" if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered "Not Aligned".

Target Alignment Status



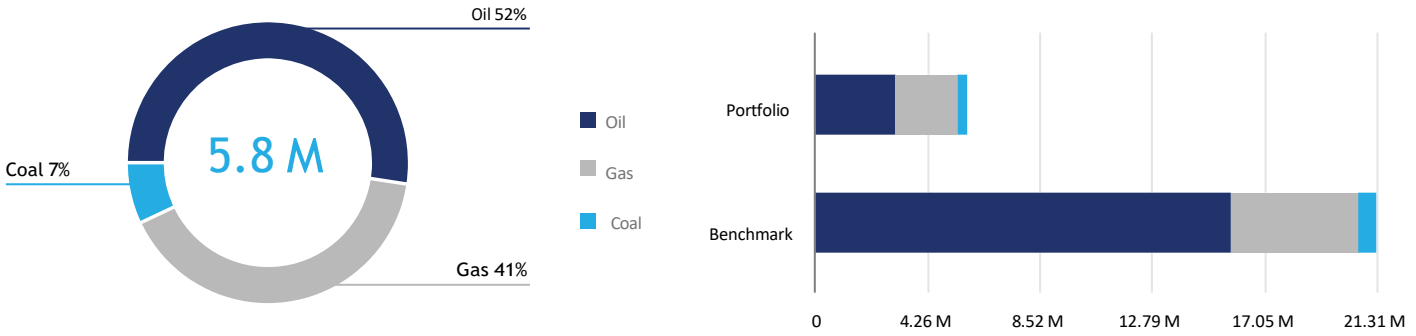
Alignment per High Impact Sector



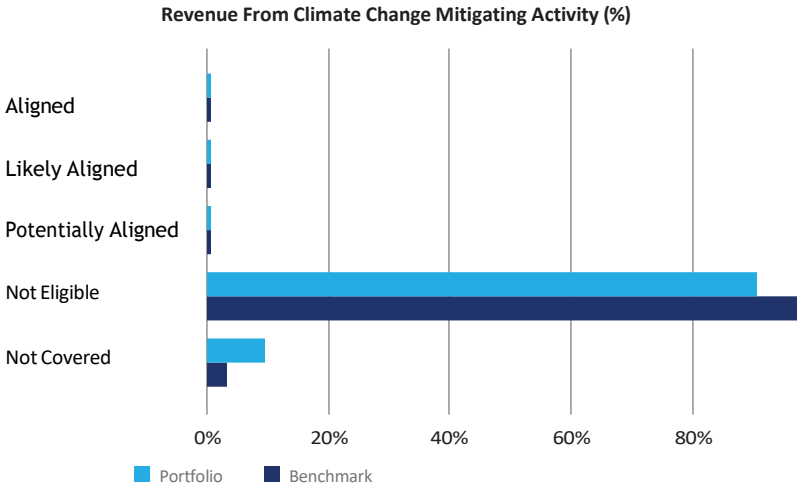
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 5.8 M EUR revenue linked to fossil fuels, which account for 2% of total portfolio revenue. Of the revenue from fossil fuels, 52% is attributed to oil, 41% to gas, and 7% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -73%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment.
Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered "Not Eligible". Where there is a lack of data to make an assessment, revenues are categorized as "Not Covered".

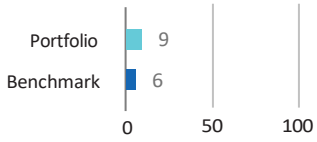
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
Aker BP ASA	3.94%	Energy	0%	Not aligned	Yes
Hunter Douglas NV	2.89%	Consumer Discretionary	0%	Not aligned	No
BASF SE	2.86%	Materials	0%	Not aligned	No
JPMorgan Chase & Co.	2.44%	Financials	0%	Not aligned	No
BNP Paribas SA	2.26%	Financials	0%	Not aligned	No

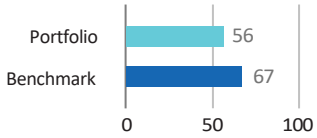
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

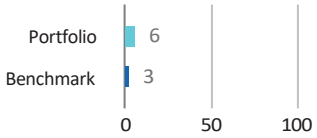
Transition Value at Risk (%)



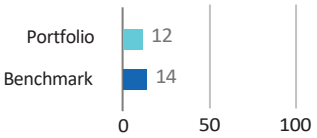
Issuers at Risk (%)



Portfolio Green Revenues (%)

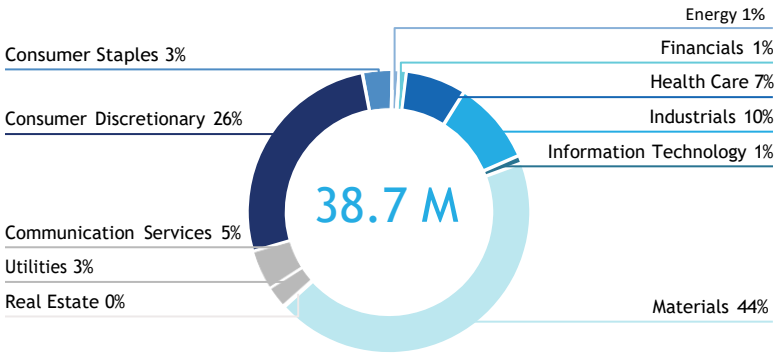


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 38.7 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
BASF SE	2.86%	Materials	100%	43.37%
ArcelorMittal SA	0.7%	Materials	100%	43.37%
Air Products and Chemicals, Inc.	0.33%	Materials	100%	43.37%
Fortum Oyj	0.24%	Utilities	100%	23.87%
Frontline Ltd.	0.07%	Energy	100%	48.72%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Siemens Gamesa Renewable Energy SA	1.98%	Industrials	100%	5.7%
Encavis AG	0.22%	Utilities	100%	11.39%
OSRAM Licht AG	2.18%	Industrials	73.1%	5.7%
Siemens Energy AG	1.04%	Industrials	40.5%	5.7%
Fortum Oyj	0.24%	Utilities	35.6%	11.39%

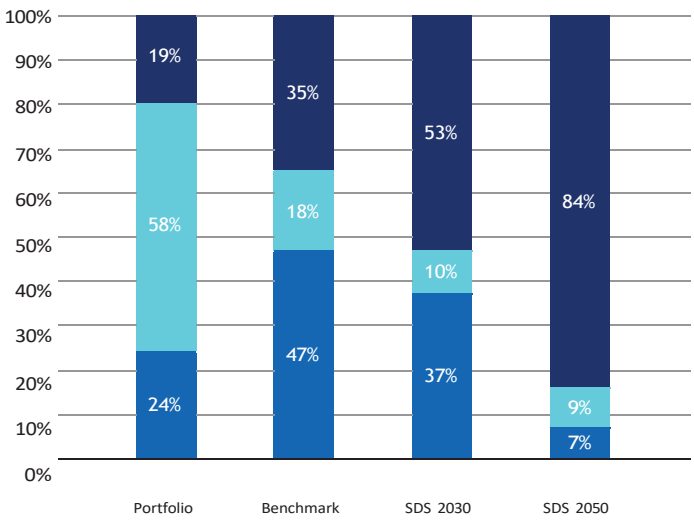
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	18.53%	23.91%	11.1%	292.34	57
Benchmark	35.08%	46.64%	8.74%	807.39	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



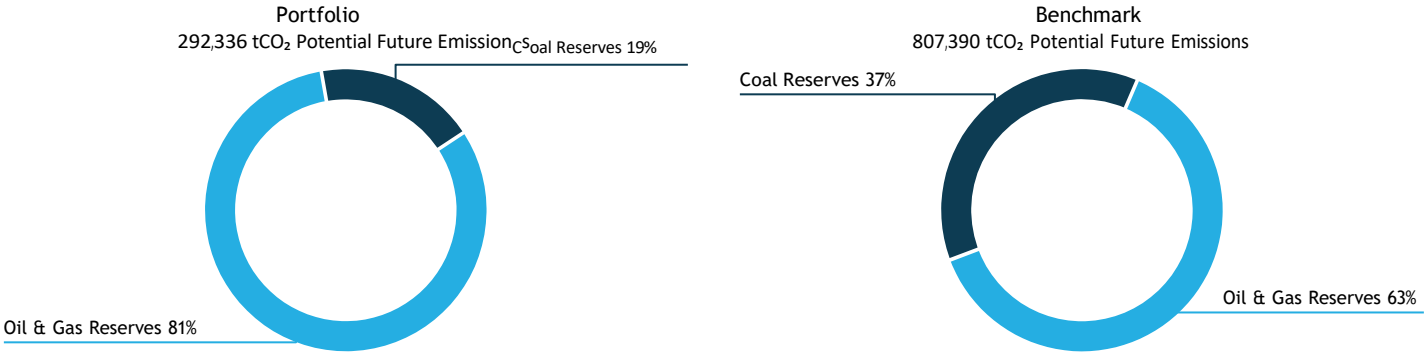
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Fortum Oyj	60.9%	18.3%	7.72%	371.74
Electricite de France SA	15.4%	28.2%	5.6%	52.87
Neoen SA	0%	85.2%	0.19%	89.68
Audax Renovables SA	0%	100%	0.11%	-
Voltalia	1.1%	98.9%	0.07%	9.61

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 292,336 tCO_2 of potential future emissions, of which 19% stem from Coal reserves, 81% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
Aker BP ASA	54.38%	94	-
BASF SE	26.24%	54	-
ArcelorMittal SA	13.76%	-	-
Anglo American plc	4.76%	-	67
Saudi Arabian Oil Co.	0.5%	2	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

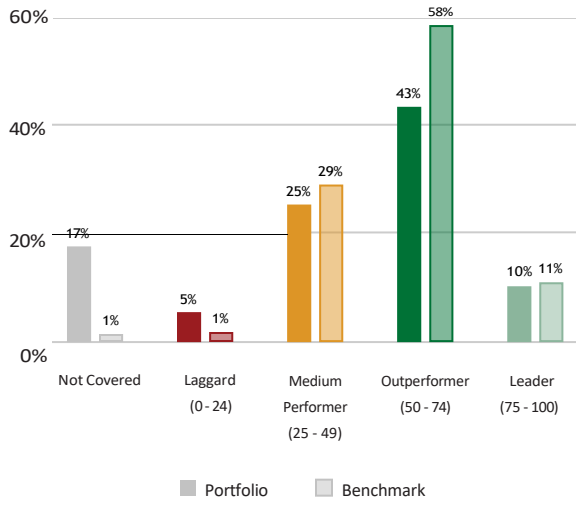
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
Aker BP ASA	3.94%	-	Production	-	-
BASF SE	2.86%	-	Production	-	Production
Vallourec SA	1.38%	-	Services	Services	Services
Compagnie Generale des Etablissements Michel...	0.69%	-	Services	-	Services
RPS Group plc	0.63%	-	Services	-	Services

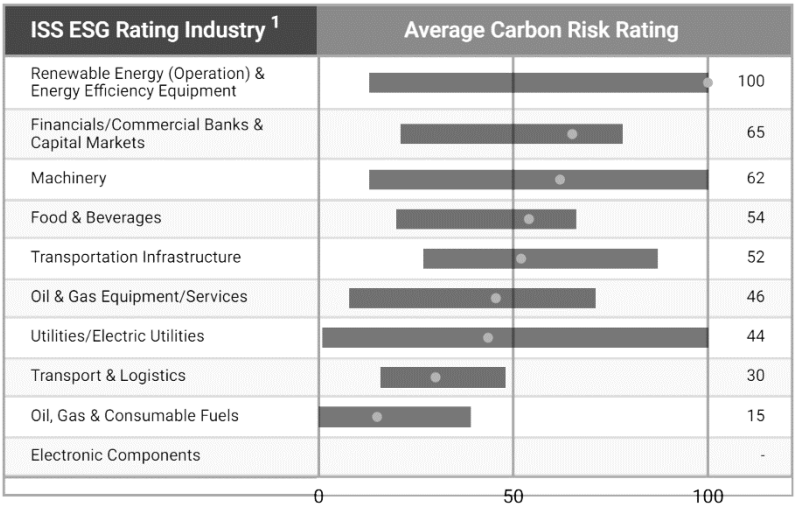
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	1.98%
Voltalia	France	Renewable Electricity	100	0.62%
Neoen SA	France	Renewable Electricity	100	0.32%
Encavis AG	Germany	Renewable Electricity	100	0.22%
Ipsen SA	France	Pharmaceuticals & Biotechnology	85	0.24%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Aker BP ASA	Norway	Oil & Gas Exploration & Production	21	3.94%
iRobot Corporation	USA	Electronic Devices & Appliances	20	0.19%
Frontline Ltd.	Bermuda	Marine Transportation	19	0.07%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	1.96%
Saudi Arabian Oil Co.	Saudi Arabia	Integrated Oil & Gas	9	0.01%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

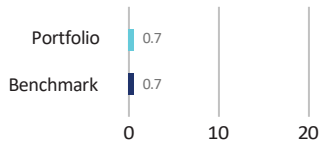
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

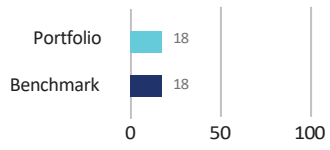
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

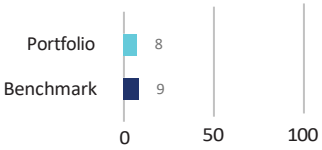
Portfolio Value at Risk (% change)



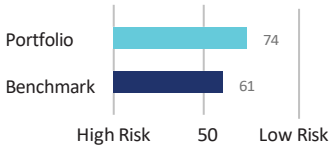
Issuers at Risk (%)



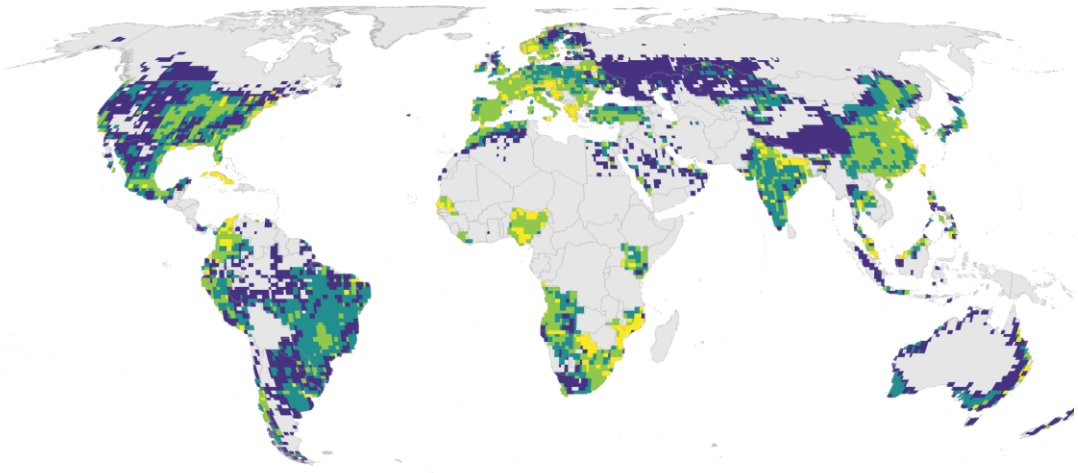
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



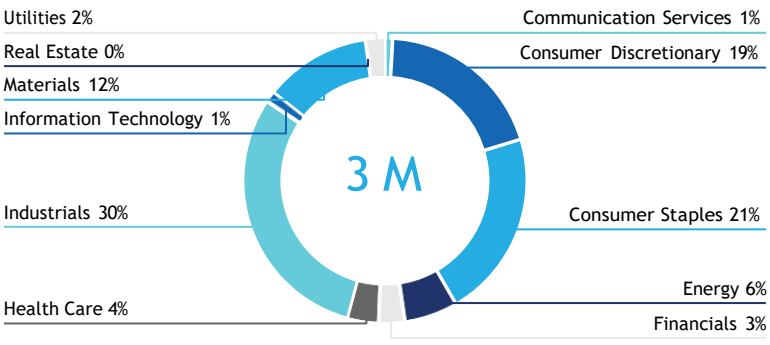
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

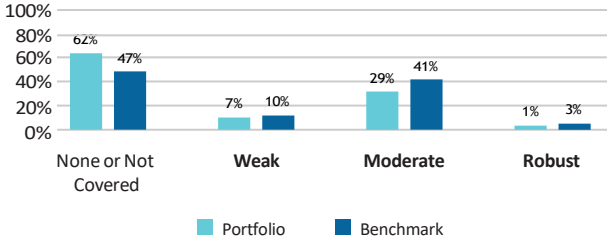
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

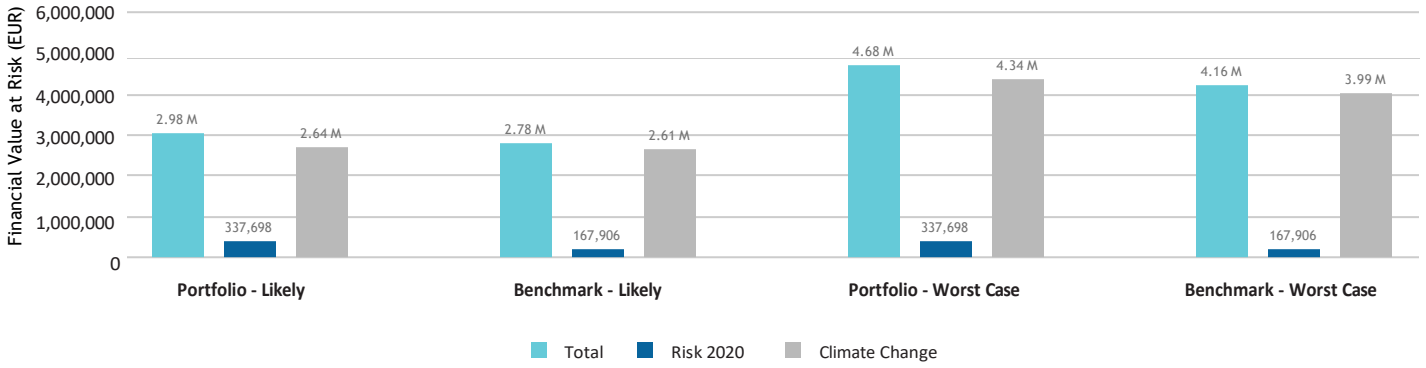


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

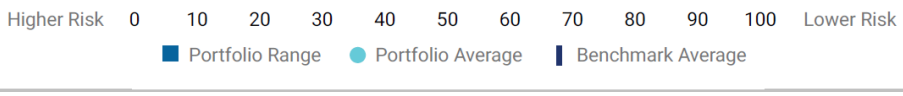
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

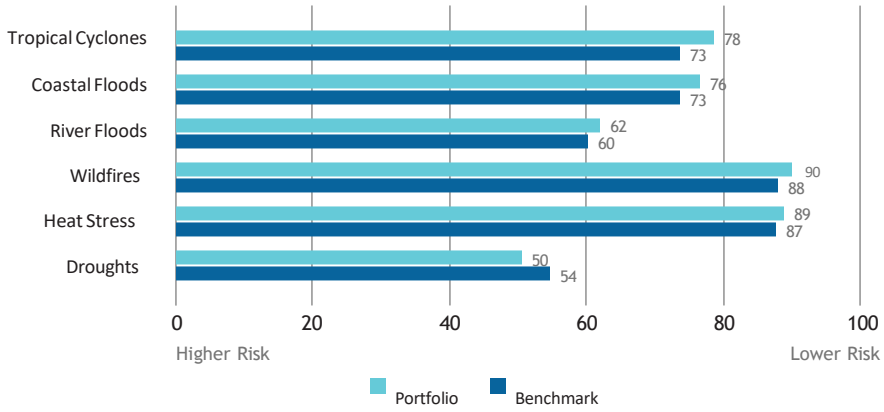
For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Consumer Staples		57	53	0.2%
Materials		62	63	<0.1%
Financials		63	65	<0.1%
Industrials		64	65	0.2%
Health Care		69	54	<0.1%
Consumer Discretionary		72	58	0.1%
Energy		83	64	<0.1%
Utilities		83	71	<0.1%
Communication Services		87	81	<0.1%
Real Estate		90	96	<0.1%
Information Technology		99	56	<0.1%
Other		-	-	0%



Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings – Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
Lagardere SA	4.29%	Communication Services	82	Not Covered
Aker BP ASA	3.94%	Energy	100	Not Covered
Vivendi SE	3.89%	Communication Services	95	Moderate
Telenor ASA	3.56%	Communication Services	-	Not Covered
Carrefour SA	3.25%	Consumer Staples	56	Moderate

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Atlas Corp. (British Columbia)	33	8	19	9	46	100	4	Not Covered
Mithra Pharmaceuticals SA	34	20	22	21	28	100	45	Not Covered
Christian Dior SE	36	42	39	36	41	42	50	Not Covered
LVMH Moet Hennessy Louis Vuitton SE	37	48	52	41	50	45	50	Moderate
Saudi Arabian Oil Co.	40	79	74	54	100	100	47	Not Covered
OSRAM Licht AG	42	35	32	48	100	50	50	Weak
Toshiba Corp.	42	45	40	46	100	60	50	Moderate
TechnipFMC plc	43	77	68	68	100	100	44	Not Covered
adidas AG	44	53	48	54	100	45	50	Moderate
Banco Santander SA	45	67	100	48	40	80	41	Moderate

HELIUM INVEST

Climate Report

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

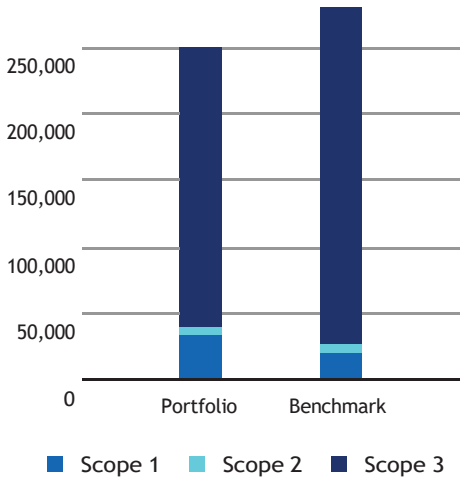
A. CARBON METRICS

Portfolio Overview[1]

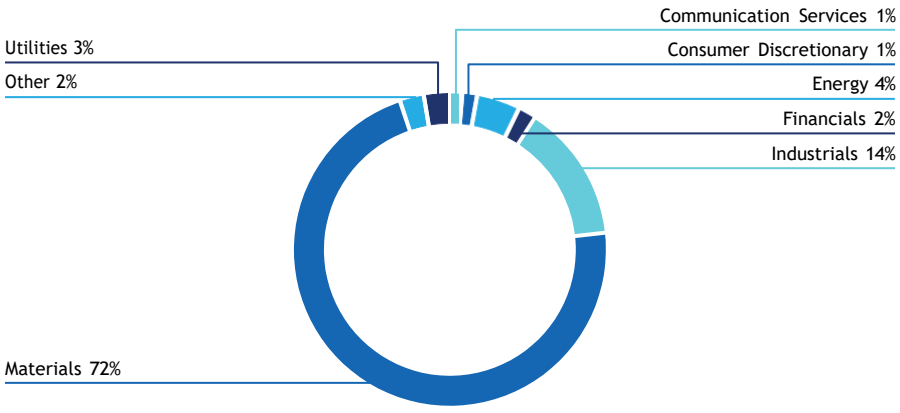
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested		tCO_2e/Revenue	Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	79.3% / 86%	40,153	249,526	122.59	178.48	120.83	58
Benchmark	96.8% / 98.4%	27,542	278,926	84.09	191.85	153.46	60
Net Performance	-17.5 p.p. /-12.4 p.p.	-45.8%	10.5%	-45.8%	7%	21.3%	–

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.

[2] Note: Carbon Risk Rating data is current as of the date of report generation.

[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
ArcelorMittal SA	64.06%	1.88%	Strong	Medium Performer
Air France-KLM SA	10.53%	1.46%	Strong	Medium Performer
BASF SE	4.42%	1.71%	Strong	Outperformer
Vallourec SA	3.93%	0.78%	Moderate	Outperformer
Ahlstrom Holding 3 Oy	2.43%	0.34%	Inconsistent	-
Electricite de France SA	1.89%	1.28%	Strong	Medium Performer
Groupe Bruxelles Lambert SA	1.78%	1.80%	Non-Reporting	Medium Performer
Elis SA	1.50%	2.67%	Strong	Outperformer
Kloeckner & Co. SE	1.04%	1.98%	Non-Reporting	Medium Performer
Telekom Austria AG	0.75%	2.93%	Strong	Outperformer
Total for Top 10	92.32%	16.84%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs. Benchmark

Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	11.22%	3.29%	7.94%	-0.48%	-1.25%
Consumer Discretionary	15.92%	9.89%	6.04%	-0.83%	0.06%
Consumer Staples	4.33%	12.15%	-7.82%	1.6%	0.37%
Energy	1.67%	6.36%	-4.69%	16.9%	-0.26%
Financials	14.46%	16.68%	-2.22%	0.04%	-2.41%
Health Care	7.25%	15.33%	-8.09%	0.46%	-0.76%
Industrials	11.59%	14.72%	-3.13%	1.08%	-16.26%
Information Technology	15.77%	7.04%	8.73%	-0.4%	0.1%
Materials	4.52%	8.91%	-4.39%	24.08%	-77.53%
Other	0.42%	0%	0.42%	0%	-3.55%
Real Estate	8.76%	1.37%	7.4%	-0.31%	-0.19%
Utilities	4.08%	4.26%	-0.18%	0.75%	13%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				**42.88%**	**-88.67%**
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				**-46%**	

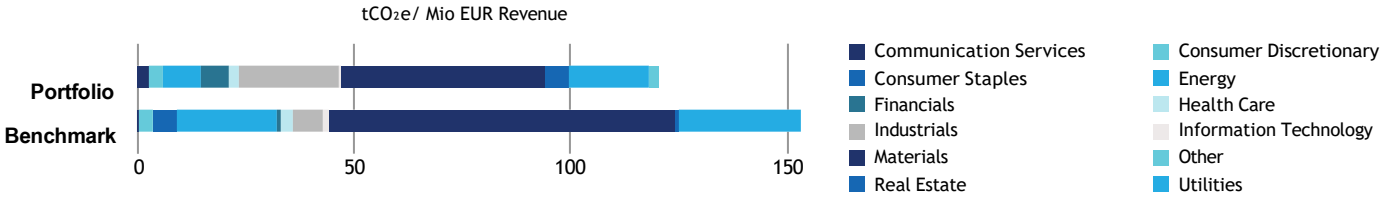
Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	1.76%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	-0.07%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.29%
6. SSAB AB	Materials	1,934.39	Outperformer	-0.03%
7. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
8. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
9. OCI NV	Materials	1,307.16	Medium Performer	-0.05%
10. Yara International ASA	Materials	1,232.25	Outperformer	-0.07%

Greenhouse Gas Emission Intensity

Weighted Avg Greenhouse Gas Intensity Sector Contribution



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. ArcelorMittal SA	2,138.79	1,166.74
2. Neoen SA	1,319.30	613.58
3. Air France-KLM SA	1,141.28	1,326.09
4. Vallourec SA	837.33	81.88
5. Ahlstrom Holding 3 Oy	721.34	698.18
6. Evonik Industries AG	430.82	840.64
7. LEG Immobilien SE	422.32	208.67
8. Anglo American plc	420.02	686.23
9. Groupe Bruxelles Lambert SA	334.54	2,085.89
10. Electricite de France SA	327.74	4,034.45

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Helium Invest's strategy in its current state is MISALIGNED with a SDS scenario by 2050. Helium Invest has a potential temperature increase of 1.7°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-59.06%	-53.39%	-21.27%	+53.02%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

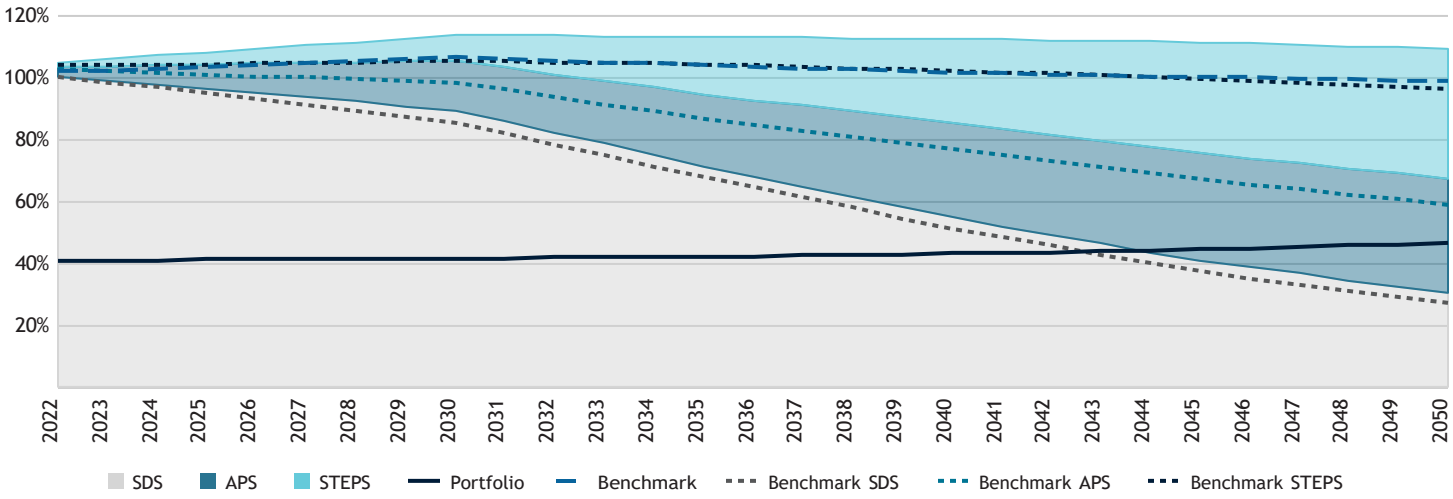
2044

The portfolio exceeds its SDS budget in 2044.

1.7°C

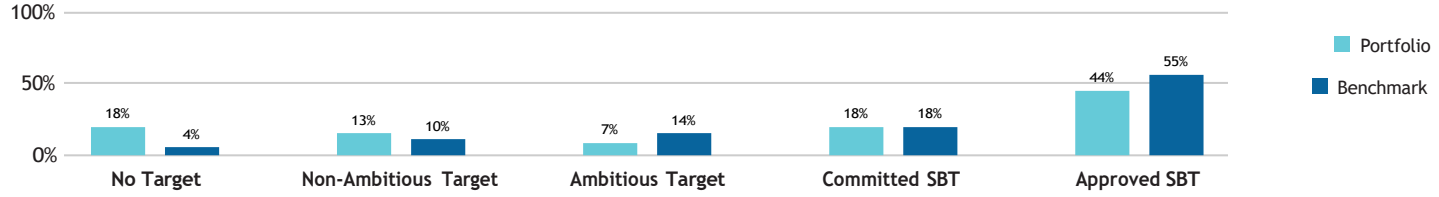
The portfolio is associated with a potential temperature increase of 1.7°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



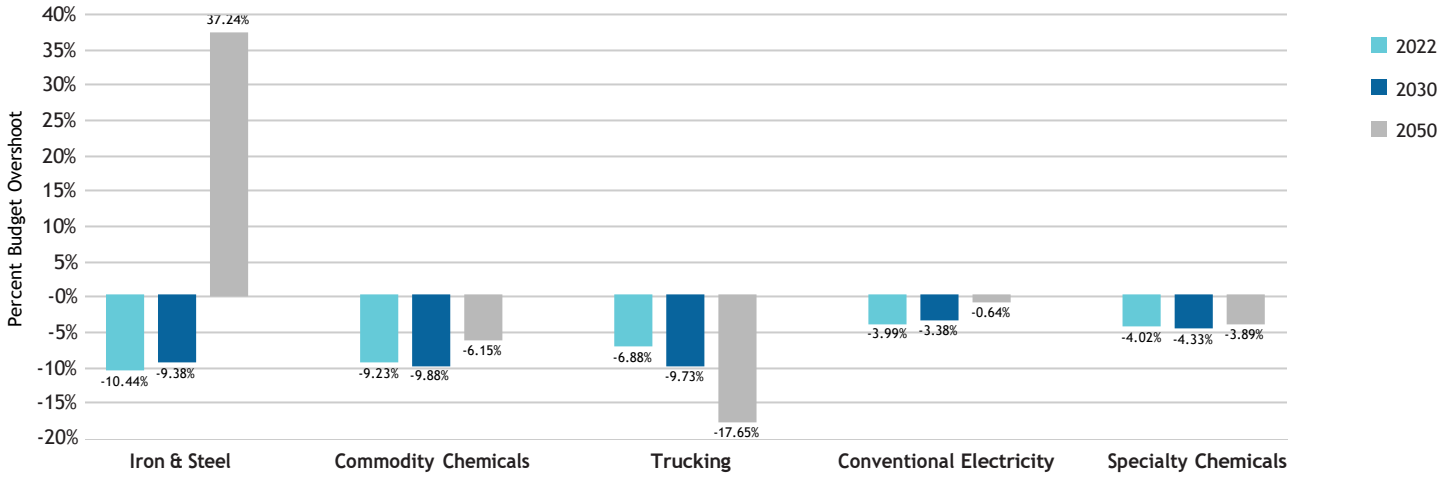
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 69% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 18% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

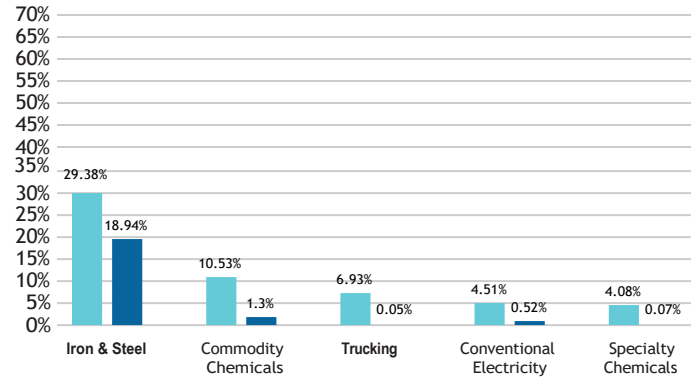
Sub-sector SDS Budget Overshoot



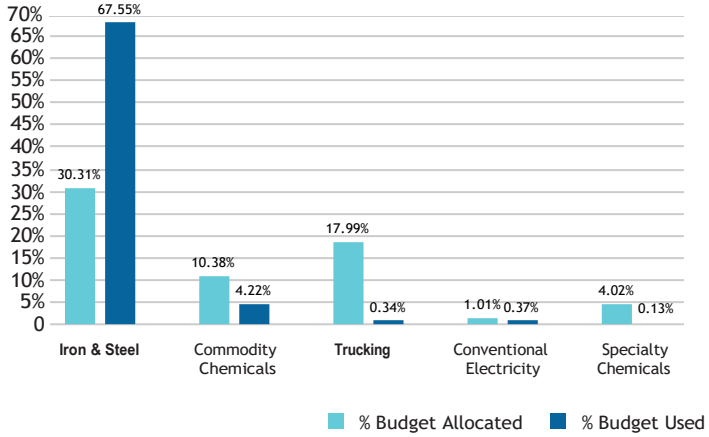
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

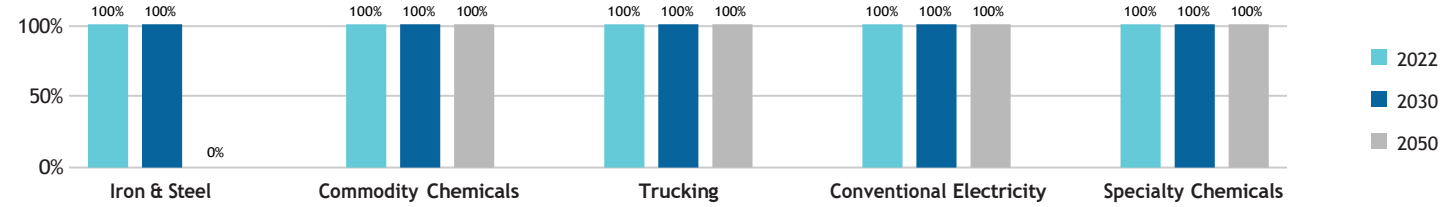
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



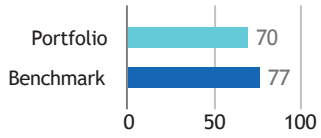
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



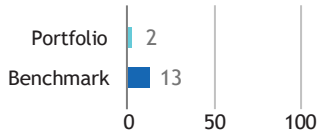
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

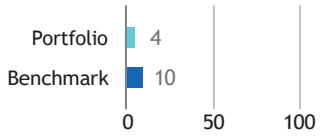
Material GHG Disclosure (%)



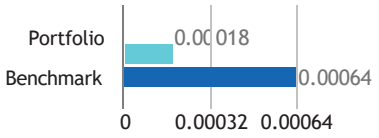
Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions ($GtCO_2e$)



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

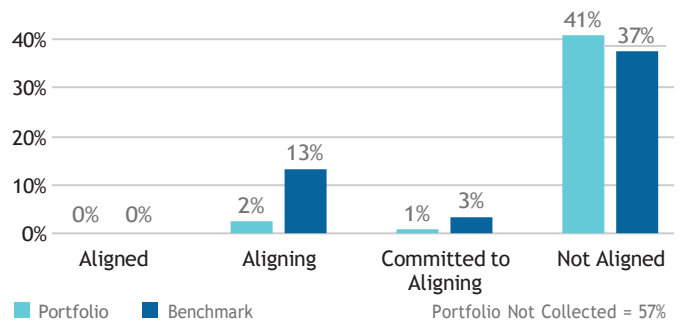
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	108.71	110.72	115.28	148.45	13.88	14.98	17.17	33.55	639.24	647.81	676.41	982.25
NZE Trajectory	-	90.52	67.79	0	-	11.56	8.66	0	-	532.29	398.61	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	888.93	923.57	995.85	1.63 k	249.53 k	253.35 k	264.93 k	381.33 k
NZE Trajectory	-	740.21	554.3	0	-	207.78 k	155.6 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	278.93 k	298.23 k	332.63 k	597.89 k

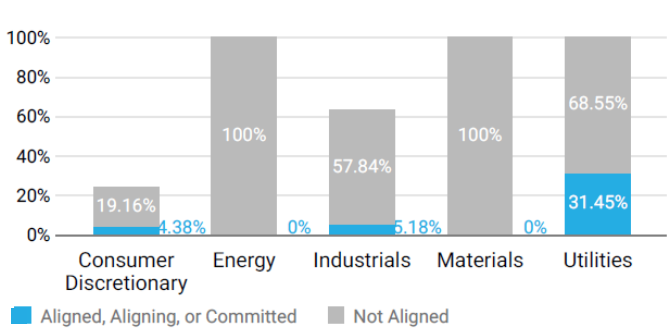
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as “Aligned”. An issuer is “Committed to Aligning” if it has set a NZ target for 2050 and “Aligning” if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered “Not Aligned”.

Target Alignment Status



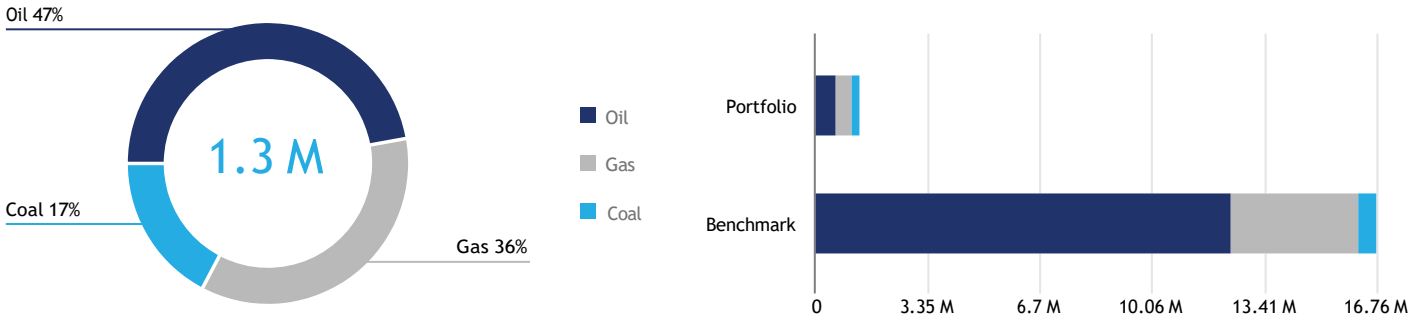
Alignment per High Impact Sector



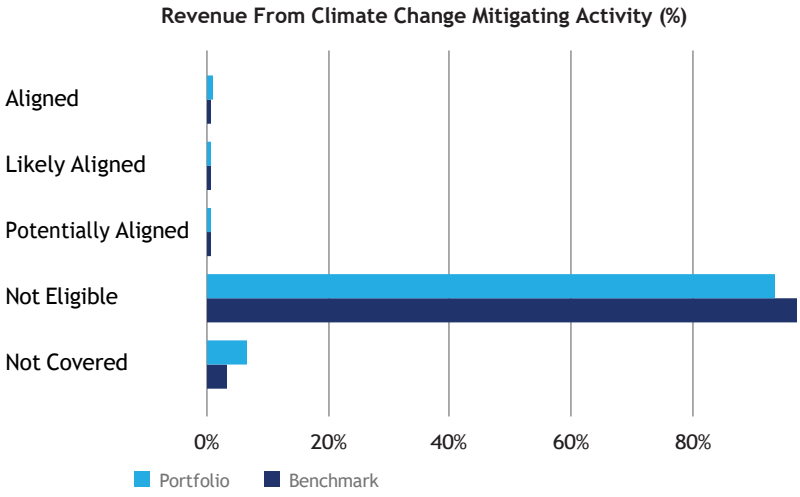
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 1.3 M EUR revenue linked to fossil fuels, which account for less than 1% of total portfolio revenue. Of the revenue from fossil fuels, 47% is attributed to oil, 36% to gas, and 17% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -92%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment. Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered “Not Eligible”. Where there is a lack of data to make an assessment, revenues are categorized as “Not Covered”.

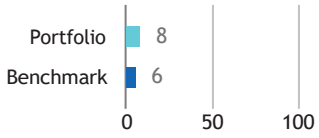
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
JPMorgan Chase & Co.	3.14%	Financials	0%	Not aligned	No
TAG Immobilien AG	2.99%	Real Estate	0%	Not aligned	No
Hunter Douglas NV	2.74%	Consumer Discretionary	0%	Not aligned	No
Kloeckner & Co. SE	1.98%	Industrials	0%	Not aligned	No
ArcelorMittal SA	1.88%	Materials	0%	Not aligned	No

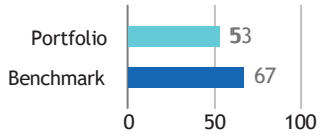
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

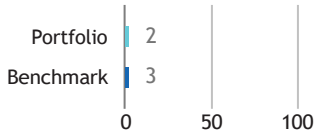
Transition Value at Risk (%)



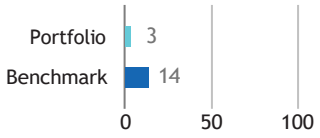
Issuers at Risk (%)



Portfolio Green Revenues (%)

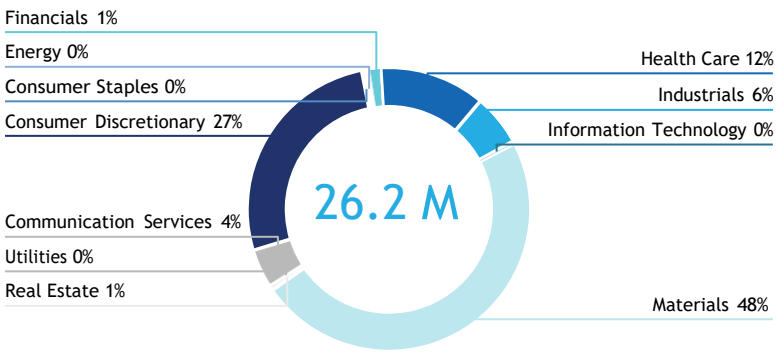


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 26.2 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
ArcelorMittal SA	1.88%	Materials	100%	43.37%
BASF SE	1.71%	Materials	100%	43.37%
Evonik Industries AG	0.18%	Materials	100%	43.37%
Abu Dhabi National Oil Co. for Distribution PJSC	2.71%	Consumer Discretionary	65.87%	4.89%
Fresenius SE & Co. KGaA	1.97%	Health Care	42.24%	1.93%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Encavis AG	0.3%	Utilities	100%	11.39%
Siemens Gamesa Renewable Energy SA	0.11%	Industrials	100%	5.7%
OSRAM Licht AG	0.62%	Industrials	73.1%	5.7%
Siemens Energy AG	0.39%	Industrials	40.5%	5.7%
ATOS SE	2.56%	Information Technology	6%	12.12%

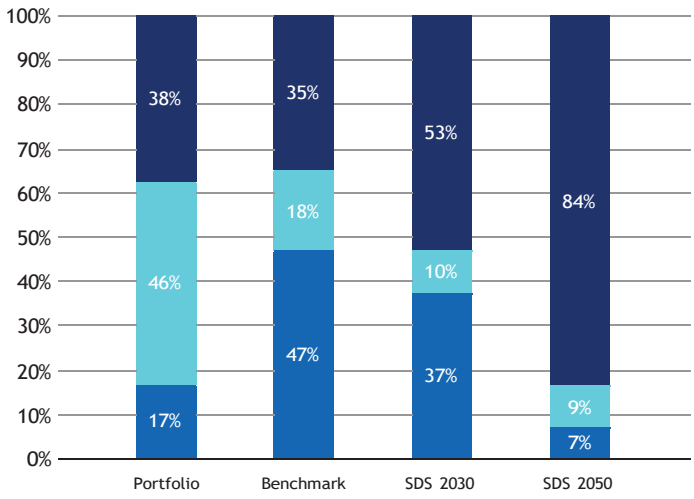
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	37.75%	16.71%	7.64%	179.38	58
Benchmark	35.08%	46.64%	8.74%	635.03	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



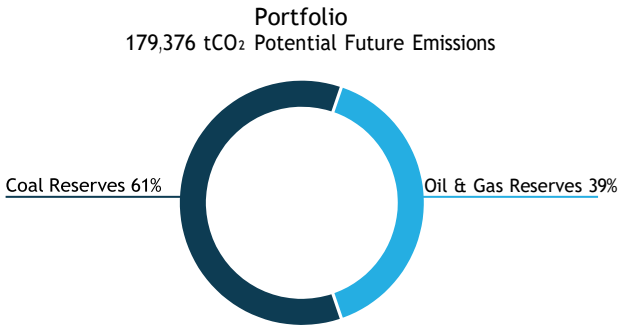
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

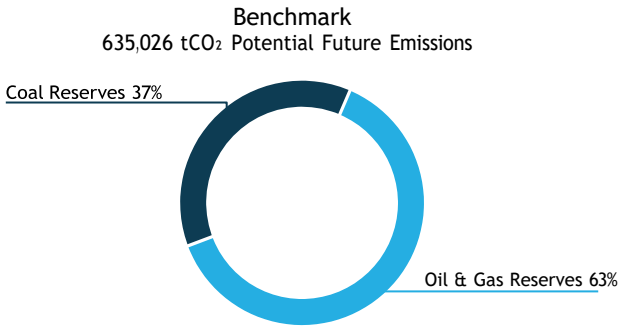
Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Electricite de France SA	15.4%	28.2%	1.89%	52.87
Neoen SA	0%	85.2%	0.47%	89.68
Audax Renovables SA	0%	100%	0.15%	-
Voltalia	1.1%	98.9%	0.12%	9.61
Encavis AG	0%	100%	0%	-

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 179,376 tCO_2 of potential future emissions, of which 61% stem from Coal reserves, 39% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.





Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
ArcelorMittal SA	47.58%	-	-
BASF SE	20.16%	54	-
Aker BP ASA	14.85%	94	-
Anglo American plc	12.93%	-	67
Seven Group Holdings Limited	4.18%	-	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

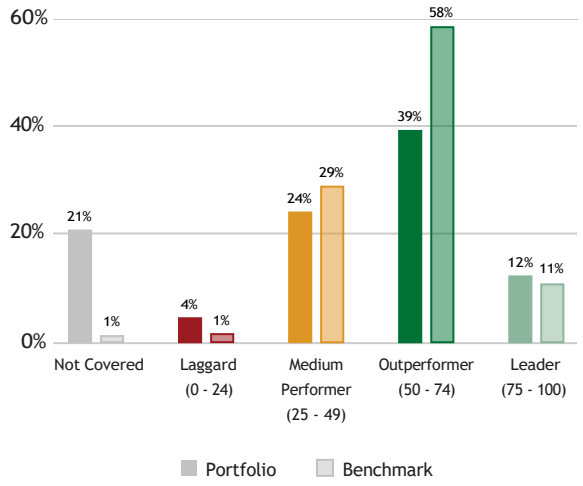
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
BASF SE	1.71%	-	Production	-	Production
Seven Group Holdings Limited	1.37%	-	Production	-	Production
Aker BP ASA	0.84%	-	Production	-	-
Vallourec SA	0.78%	-	Services	Services	Services
RPS Group plc	0.37%	-	Services	-	Services

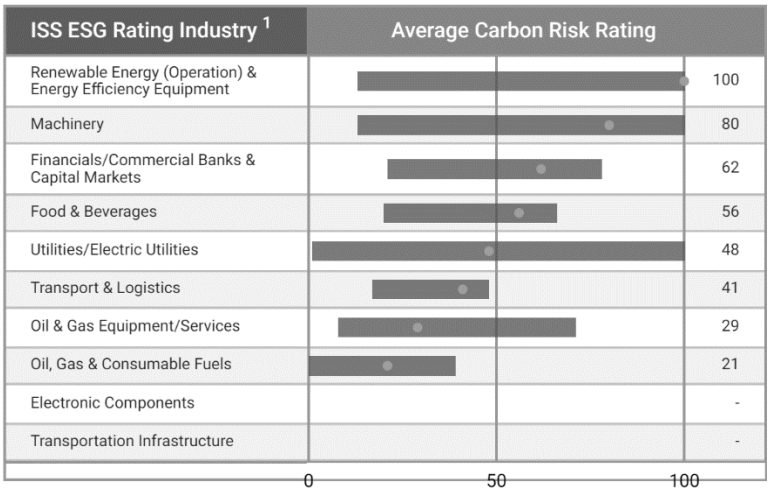
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Voltalia	France	Renewable Electricity	100	1.33%
Neoen SA	France	Renewable Electricity	100	0.98%
Encavis AG	Germany	Renewable Electricity	100	0.3%
Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	0.11%
Ipsen SA	France	Pharmaceuticals & Biotechnology	85	0.3%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
TAG Immobilien AG	Germany	Real Estate	29	2.99%
Jefferies Financial Group Inc.	USA	Commercial Banks & Capital Markets	24	0.12%
Bigben Interactive SA	France	Electronic Devices & Appliances	22	0.27%
Aker BP ASA	Norway	Oil & Gas Exploration & Production	21	0.84%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	2.71%

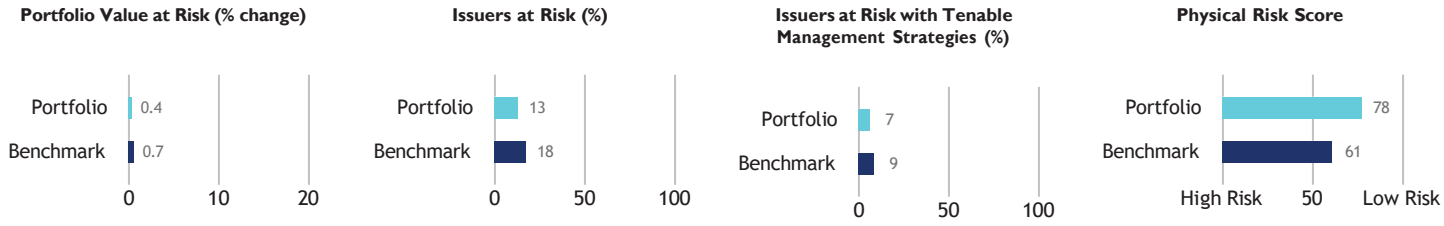
Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

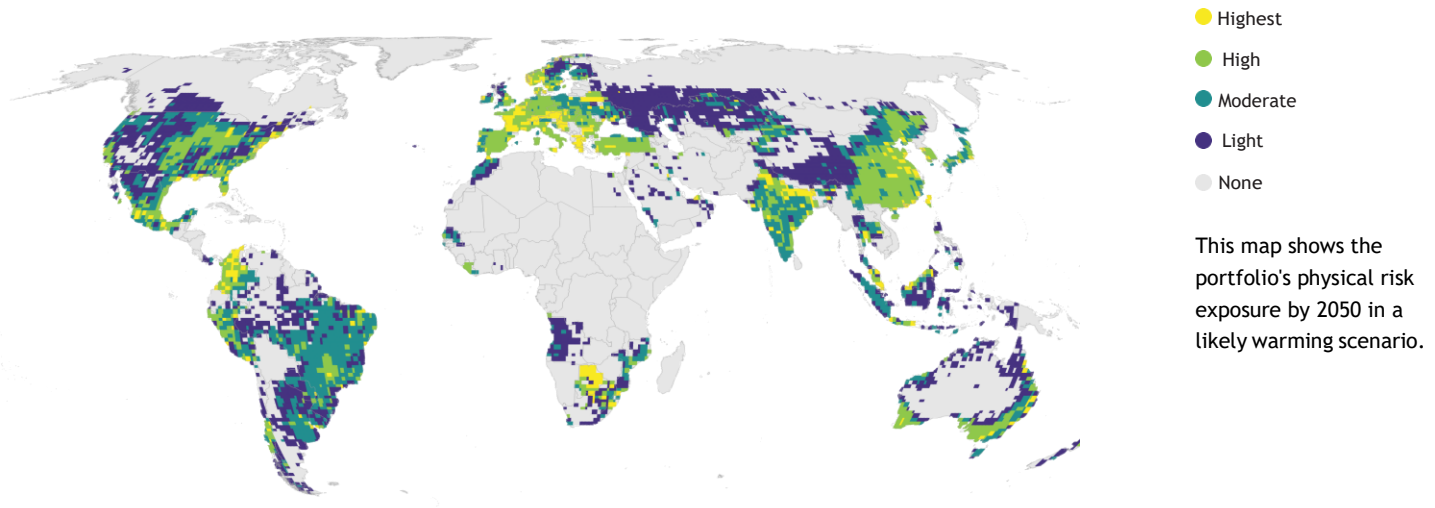
[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.



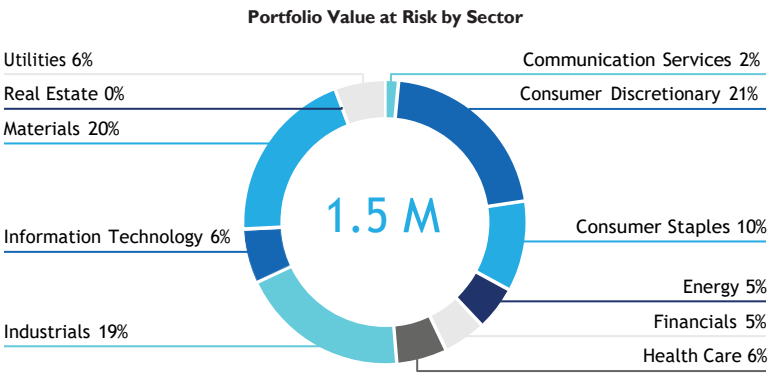
Physical Risk Exposure per Geography

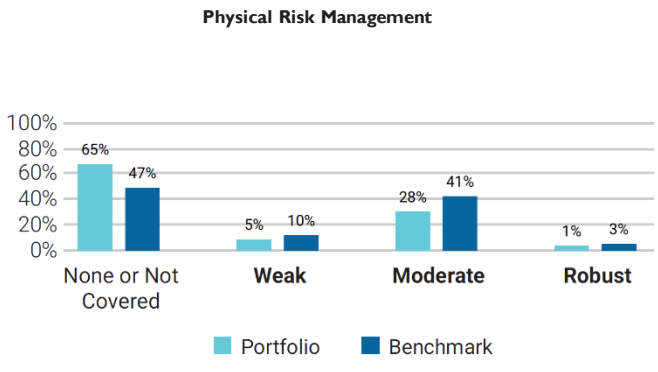


This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

Portfolio Value at Risk and Physical Risk Management

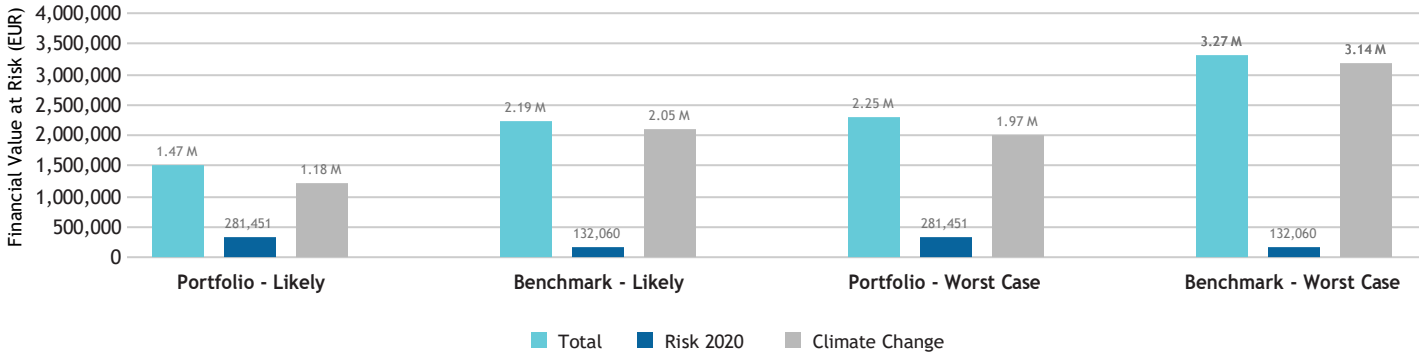
Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.





Change in Portfolio and Benchmark Value due to Physical Risk by 2050

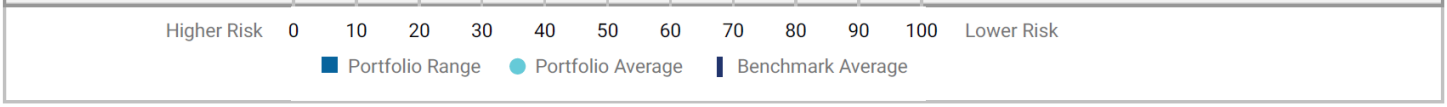
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

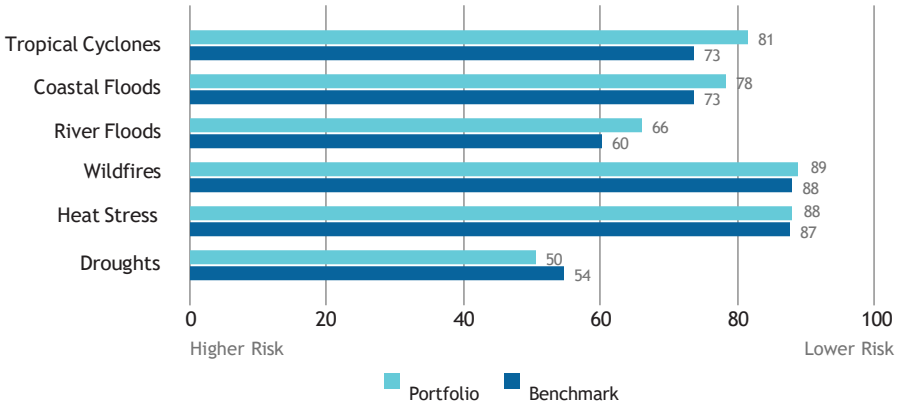
1For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Consumer Staples		50	53	<0.1%
Financials		58	65	<0.1%
Materials		66	63	<0.1%
Utilities		69	71	<0.1%
Energy		74	64	<0.1%
Health Care		75	54	<0.1%
Industrials		77	65	<0.1%
Consumer Discretionary		79	58	<0.1%
Communication Services		83	81	<0.1%
Real Estate		95	96	<0.1%
Information Technology		99	56	<0.1%
Other		-	-	0%



Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings — Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
Worldline SA	5.74%	Information Technology	100	Moderate
Lagardere SA	3.89%	Communication Services	82	Not Covered
Remy Cointreau SA	3.72%	Consumer Staples	49	Moderate
JPMorgan Chase & Co.	3.14%	Financials	51	Weak
TAG Immobilien AG	2.99%	Real Estate	100	Not Covered

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Mithra Pharmaceuticals SA	34	20	22	21	28	100	45	Not Covered
Kering SA	37	52	52	42	50	45	45	Moderate
OSRAM Licht AG	42	35	32	48	100	50	50	Weak
Banco Santander SA	45	67	100	48	40	80	41	Moderate
Anglo American plc	45	44	36	42	28	43	44	Moderate
Vallourec SA	46	64	58	46	60	100	43	Not Covered
The Goldman Sachs Group, Inc.	47	35	47	41	100	47	50	Weak
Siemens Gamesa Renewable Energy SA	47	100	100	59	100	100	41	Moderate
The Shizuoka Bank Ltd.	48	31	30	43	100	35	100	Not Covered
Idorsia Ltd.	48	27	30	24	36	20	50	Not Covered

HELIUM ALPHA

Climate Report

A. Carbon Metrics

B. Climate Scenario Alignment

C. Net Zero Analysis

D. Transition Climate Risk Analysis

E. Physical Climate Risk Analysis

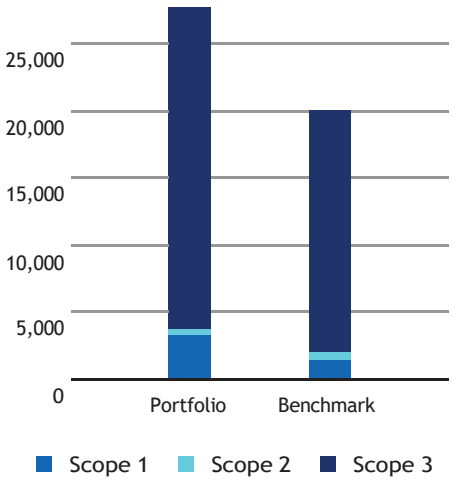
A. CARBON METRICS

Portfolio Overview[1]

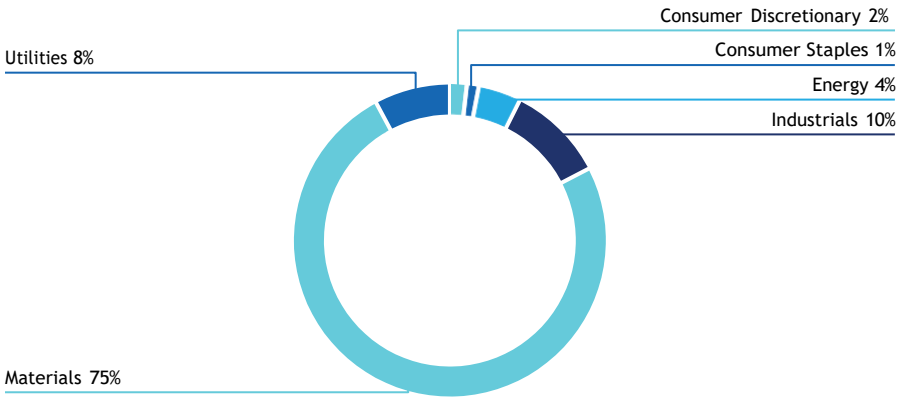
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested		tCO_2e/Revenue	Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	95.4% / 94.8%	3,703	27,551	155.82	313.51	241.29	54
Benchmark	96.8% / 98.4%	1,998	20,237	84.09	191.85	153.46	60
Net Performance	-1.4 p.p. /-3.6 p.p.	-85.3%	-36.1%	-85.3%	-63.4%	-57.2%	–

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.

[2] Note: Carbon Risk Rating data is current as of the date of report generation.

[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
Holcim Ltd.	30.11%	1.69%	Moderate	Medium Performer
OCI NV	10.01%	1.19%	Moderate	Medium Performer
ThyssenKrupp AG	8.91%	0.45%	Strong	Medium Performer
Solvay SA	6.62%	1.21%	Moderate	Outperformer
Fortum Oyj	6.58%	0.32%	Strong	Medium Performer
Wienerberger AG	5.64%	1.23%	Moderate	Outperformer
BASF SE	3.98%	1.96%	Strong	Outperformer
Air France-KLM SA	3.83%	0.68%	Strong	Medium Performer
D/S Norden A/S	3.82%	0.34%	Inconsistent	Medium Performer
Evonik Industries AG	1.57%	0.48%	Moderate	Outperformer
Total for Top 10	81.07%	9.55%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs.Benchmark

Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	3.6%	3.29%	0.31%	-0.02%	0.12%
Consumer Discretionary	25.42%	9.89%	15.54%	-2.14%	0.19%
Consumer Staples	6.14%	12.15%	-6.01%	1.23%	-0.96%
Energy	4.8%	6.36%	-1.56%	5.62%	9.28%
Financials	11.68%	16.68%	-4.99%	0.08%	0.12%
Health Care	12.28%	15.33%	-3.06%	0.18%	0.01%
Industrials	9.81%	14.72%	-4.91%	1.69%	-15.12%
Information Technology	7.62%	7.04%	0.58%	-0.03%	0.07%
Materials	14.69%	8.91%	5.77%	-31.64%	-57.19%
Real Estate	1.99%	1.37%	0.63%	-0.03%	0.07%
Utilities	1.96%	4.26%	-2.3%	9.48%	-6.31%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				**-15.58%**	**-69.72%**
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				**-85%**	

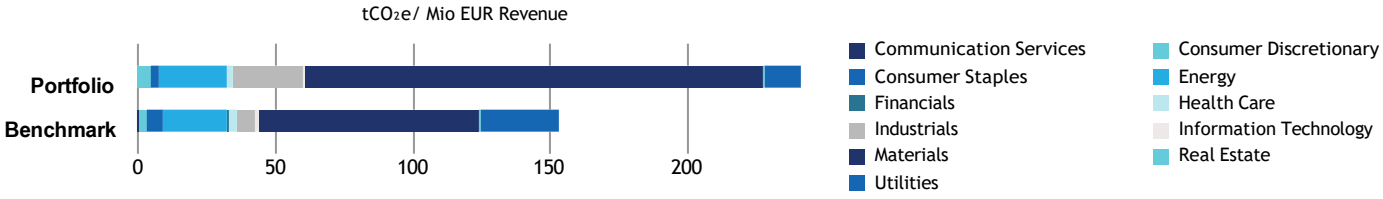
Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	-0.09%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	0.24%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	0.42%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	1.4%
6. SSAB AB	Materials	1,934.39	Outperformer	0.06%
7. D/S Norden A/S	Industrials	1,752.68	Medium Performer	0.34%
8. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
9. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
10. OCI NV	Materials	1,307.16	Medium Performer	1.15%

Greenhouse Gas Emission Intensity

Weighted Avg Greenhouse Gas Intensity Sector Contribution



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. Holcim Ltd.	5,089.38	6,882.41
2. Frontline Ltd.	3,347.53	1,356.02
3. OCI NV	2,776.95	762.74
4. ArcelorMittal SA	2,138.79	1,166.74
5. D/S Norden A/S	1,551.37	1,575.06
6. easyJet Plc	1,266.99	1,326.09
7. SSAB AB	1,230.10	1,166.74
8. Air France-KLM SA	1,141.28	1,326.09
9. Solvay SA	964.53	840.64
10. ERG SpA	888.56	7,186.07

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Helium Alpha's strategy in its current state is MISALIGNED with a SDS scenario by 2050. Helium Alpha has a potential temperature increase of 2.4°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-29.19%	-16.28%	+44.09%	+206.6%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

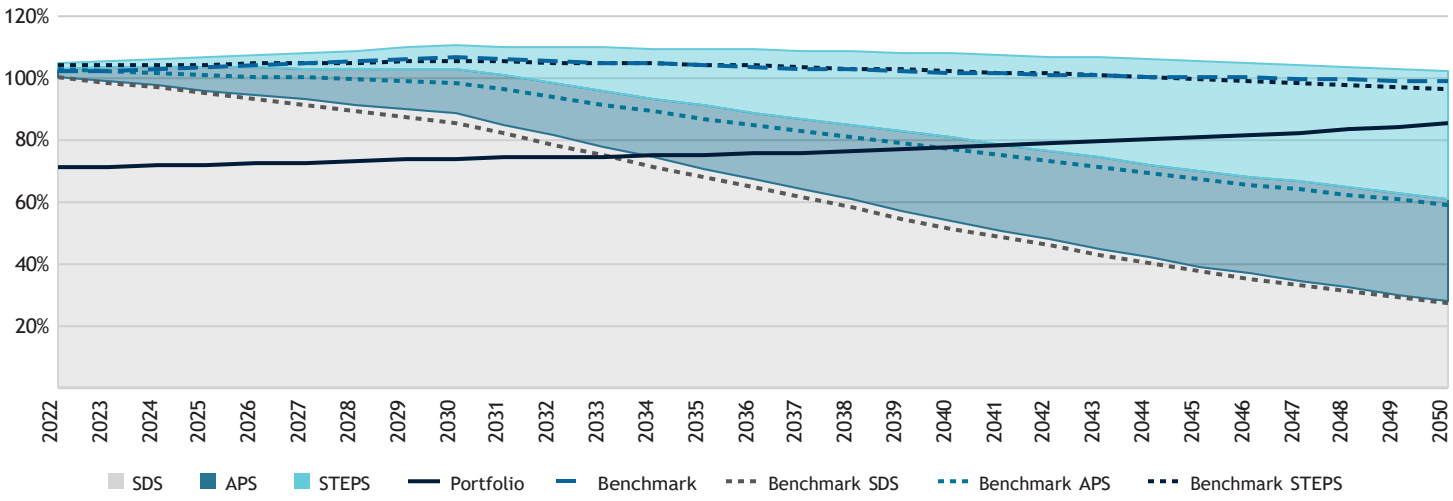
2034

The portfolio exceeds its SDS budget in 2034.

2.4°C

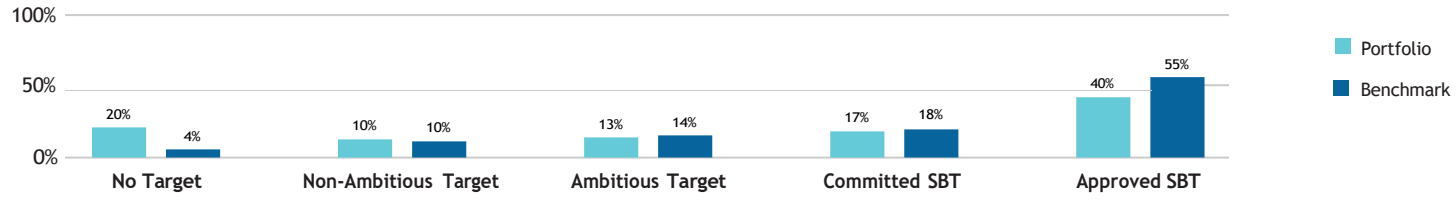
The portfolio is associated with a potential temperature increase of 2.4°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



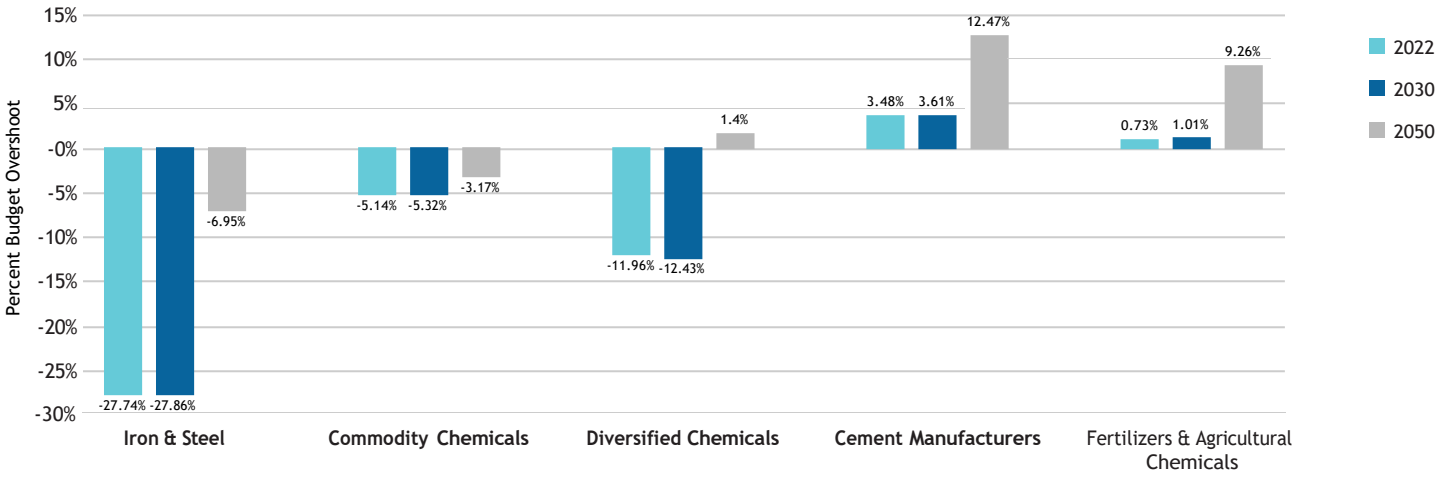
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 69% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 20% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

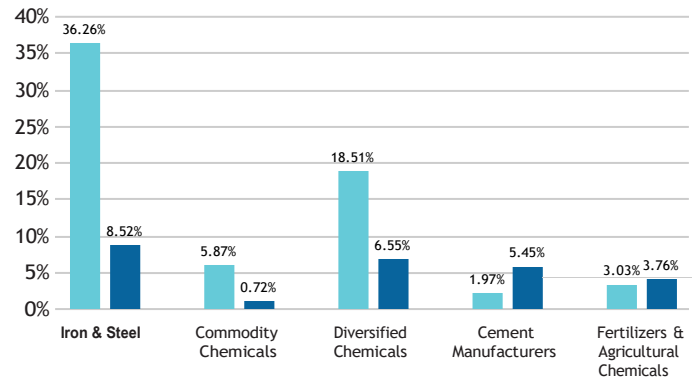
Sub-sector SDS Budget Overshoot



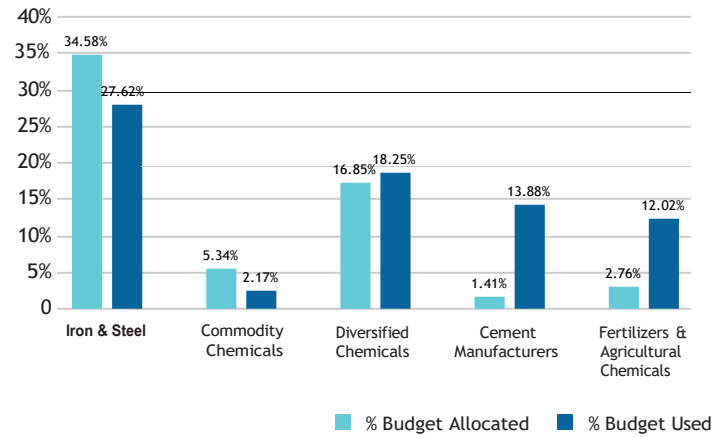
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

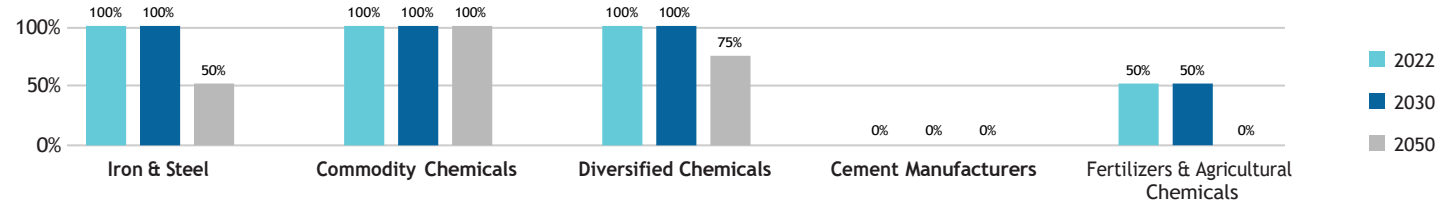
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



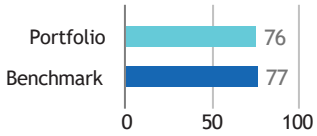
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



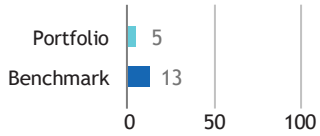
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

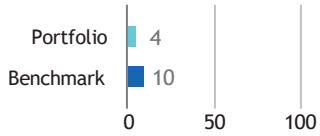
Material GHG Disclosure (%)



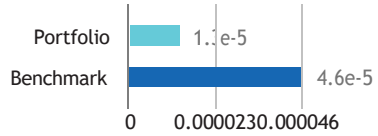
Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions (GtCO2e)



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

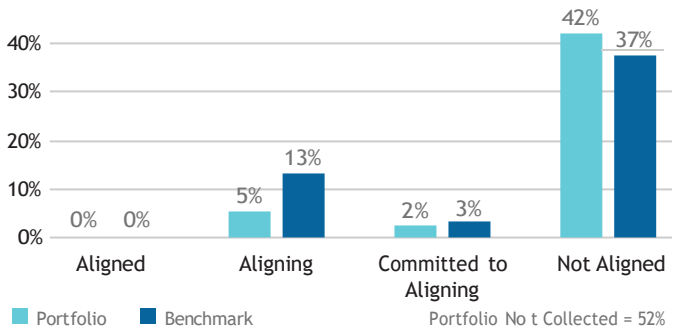
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	140.95	152.06	169.53	298.26	14.87	14.93	15.8	27.99	1 k	1.11 k	1.28 k	2.57 k
NZE Trajectory	-	117.37	87.89	0	-	12.38	9.27	0	-	835.68	625.79	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	1.29 k	1.36 k	1.54 k	2.91 k	27.55 k	30.26 k	34.93 k	68.9 k
NZE Trajectory	-	1.08 k	805.4	0	-	22.94 k	17.18 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	20.24 k	21.64 k	24.13 k	43.38 k

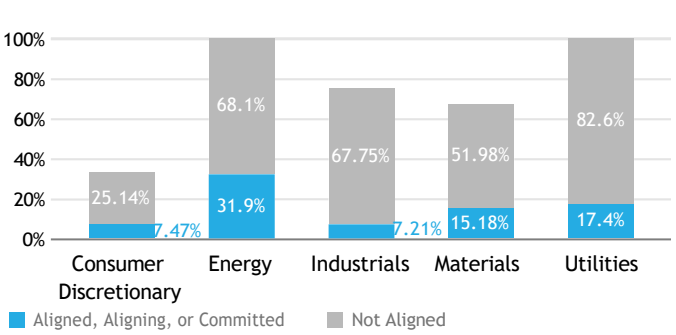
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as “Aligned”. An issuer is “Committed to Aligning” if it has set a NZ target for 2050 and “Aligning” if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered “Not Aligned”.

Target Alignment Status



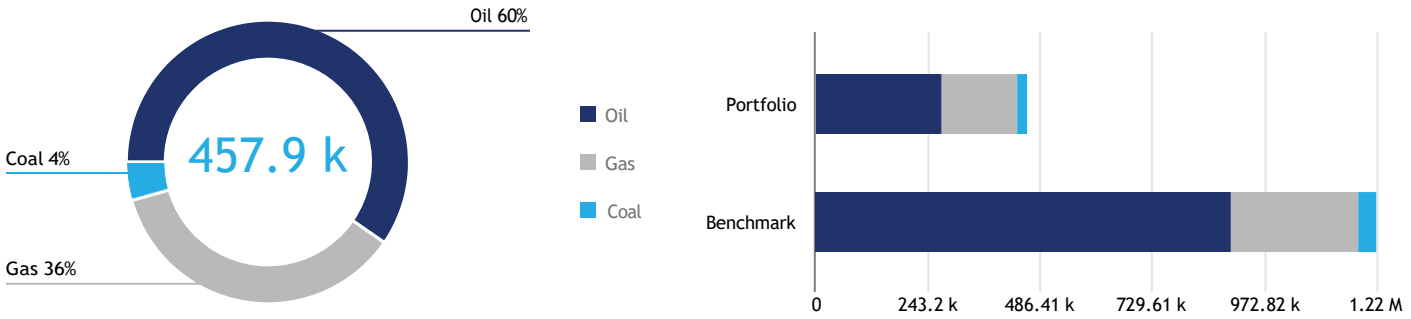
Alignment per High Impact Sector



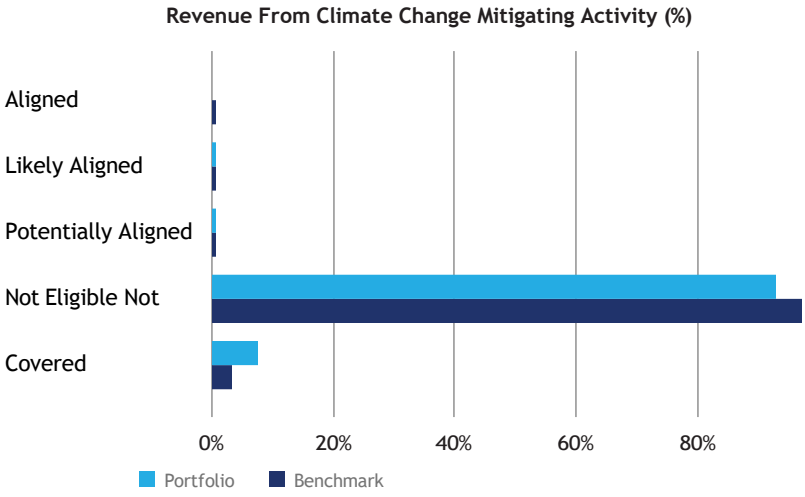
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 457.9 k EUR revenue linked to fossil fuels, which account for 4% of total portfolio revenue. Of the revenue from fossil fuels, 60% is attributed to oil, 36% to gas, and 4% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -62%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment. Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered “Not Eligible”. Where there is a lack of data to make an assessment, revenues are categorized as “Not Covered”.

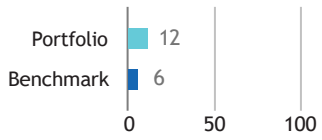
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
BASF SE	1.96%	Materials	0%	Not aligned	No
D'leteren SA	1.27%	Consumer Discretionary	0%	Not aligned	No
TRATON SE	1.27%	Industrials	0%	Not aligned	No
Sysco Corporation	1.26%	Consumer Staples	0%	Not aligned	No
Porsche Automobil Holding SE	1.25%	Consumer Discretionary	0%	Not aligned	No

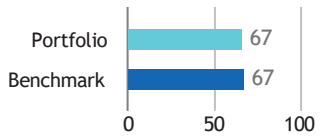
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

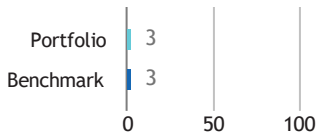
Transition Value at Risk (%)



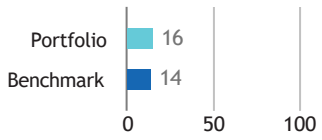
Issuers at Risk (%)



Portfolio Green Revenues (%)

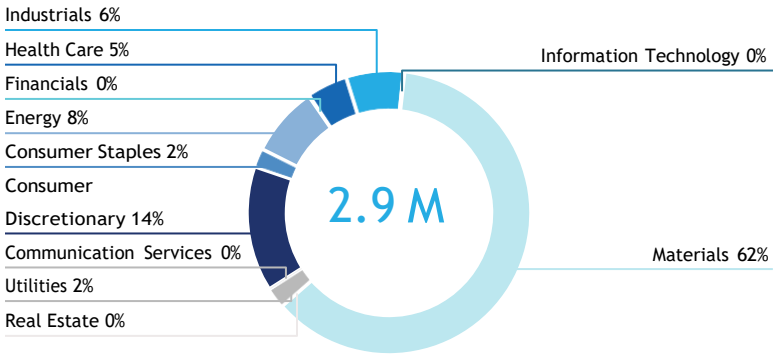


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 2.9 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
BASF SE	1.96%	Materials	100%	43.37%
Holcim Ltd.	1.69%	Materials	100%	43.37%
OCI NV	1.19%	Materials	100%	43.37%
Frontline Ltd.	0.49%	Energy	100%	48.72%
Evonik Industries AG	0.48%	Materials	100%	43.37%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Rockwool International A/S	0.12%	Industrials	74%	5.7%
Rational AG	0.57%	Industrials	70%	5.7%
Jungheinrich AG	0.25%	Industrials	50%	5.7%
Valeo SE	0.34%	Consumer Discretionary	41%	3.48%
Verbund AG	0.29%	Utilities	39%	11.39%

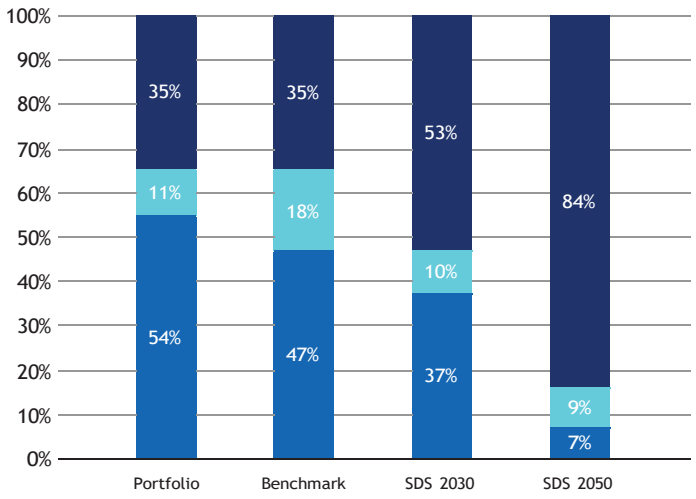
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	34.54%	54.34%	4.26%	13.37	54
Benchmark	35.08%	46.64%	8.74%	46.07	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



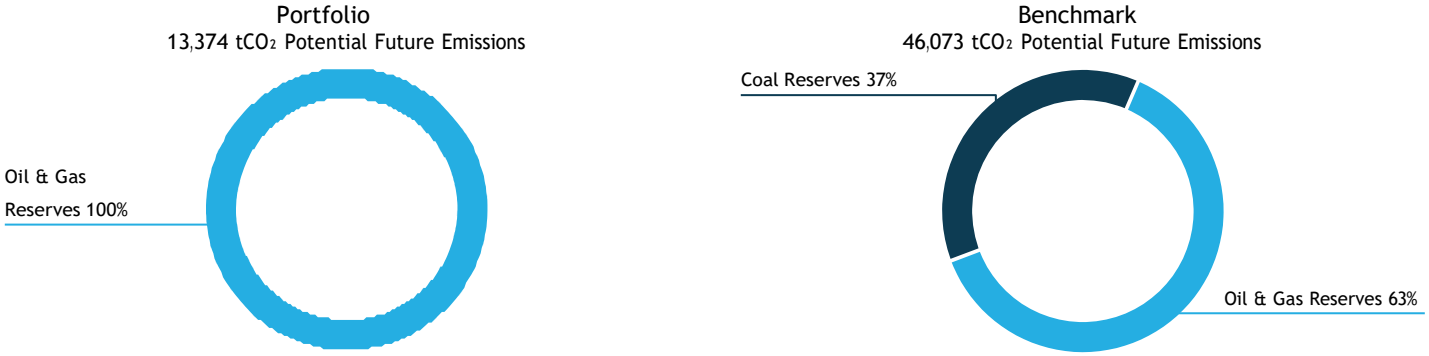
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Fortum Oyj	60.9%	18.3%	6.58%	371.74
ERG SpA	16.6%	83.4%	1.07%	153.16
ENGIE SA	45.9%	38.4%	0.07%	184.53
Verbund AG	10.4%	89.6%	0.04%	22.65
Enagas SA	0%	0%	0.02%	-

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 13,374 tCO_2 of potential future emissions, of which 1% stem from Coal reserves, 99% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
Equinor ASA	27.02%	25	-
BP Plc	24.81%	6	-
BASF SE	22.47%	54	-
Var Energi AS	17.24%	87	-
Repsol SA	5.87%	50	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

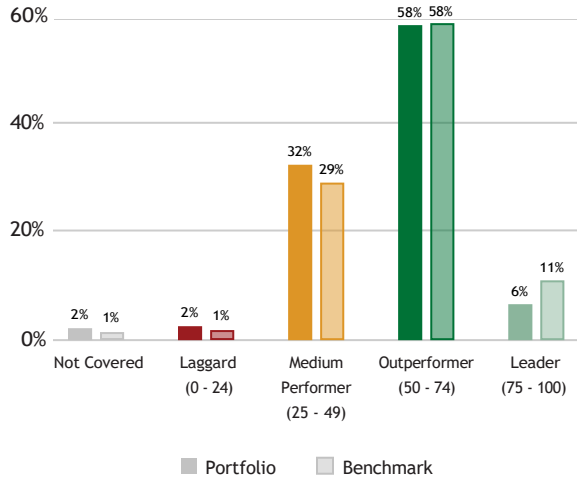
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
BASF SE	1.96%	-	Production	-	Production
Solvay SA	1.21%	-	Services	-	Services
Equinor ASA	1.15%	-	Production	-	Production
TENARIS SA	0.64%	-	Services	Services	Services
Evonik Industries AG	0.48%	-	Services	Services	Services

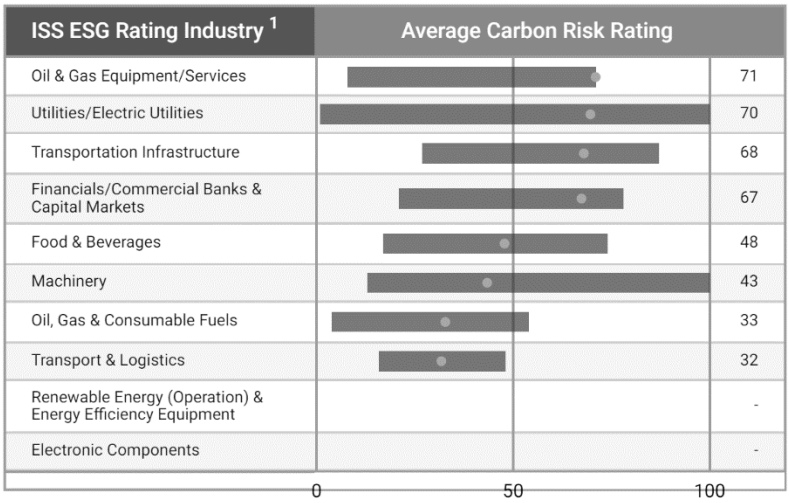
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Rockwool International A/S	Denmark	Construction Materials	95	0.12%
ERG SpA	Italy	Electric Utilities	92	1.2%
Capgemini SE	France	IT Consulting & Other Services	90	0.2%
Ipsen SA	France	Pharmaceuticals & Biotechnology	85	1.26%
Industria de Diseno Textil SA	Spain	Textiles & Apparel	82	0.42%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
D/S Norden A/S	Denmark	Marine Transportation	28	0.34%
BP Plc	United Kingdom	Integrated Oil & Gas	24	0.38%
SFS Group AG	Switzerland	Industrial Machinery & Equipment	24	0.16%
Frontline Ltd.	Bermuda	Marine Transportation	19	0.49%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	1.49%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

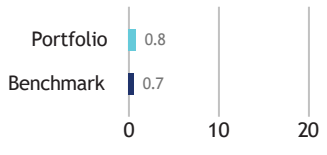
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

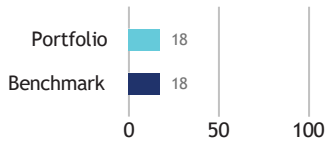
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

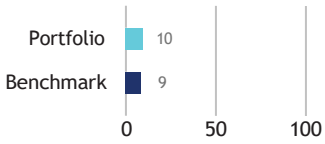
Portfolio Value at Risk (% change)



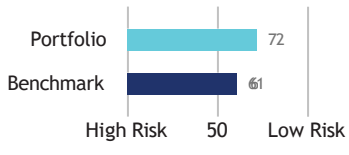
Issuers at Risk (%)



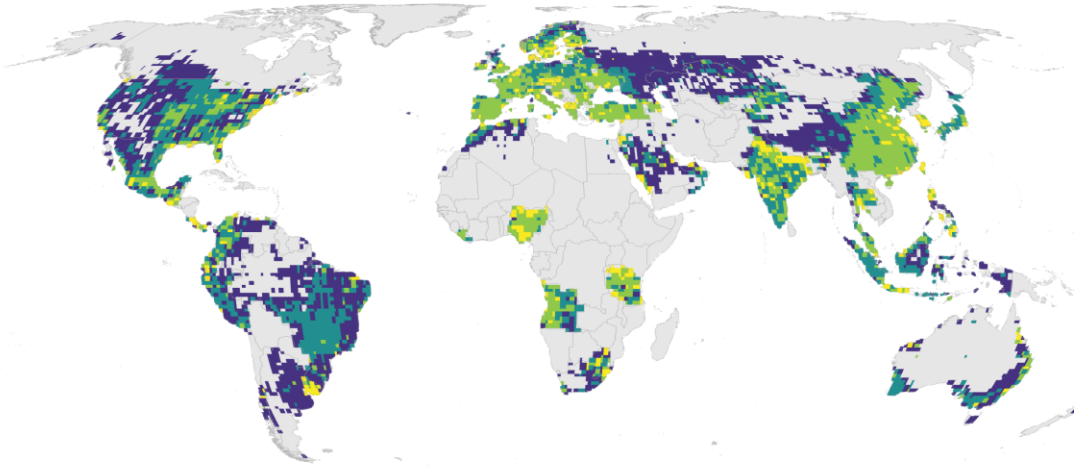
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



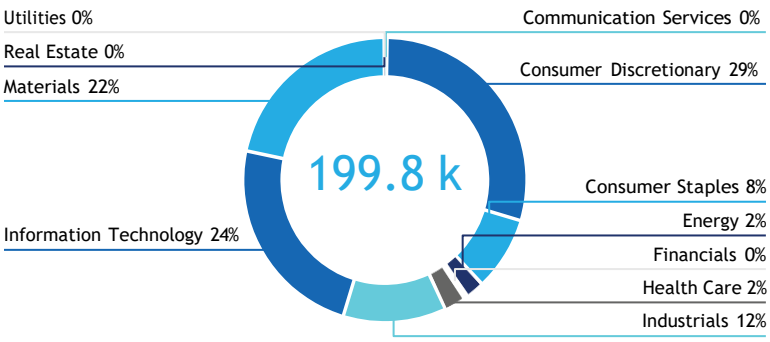
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

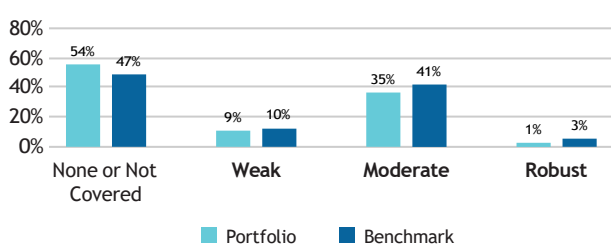
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

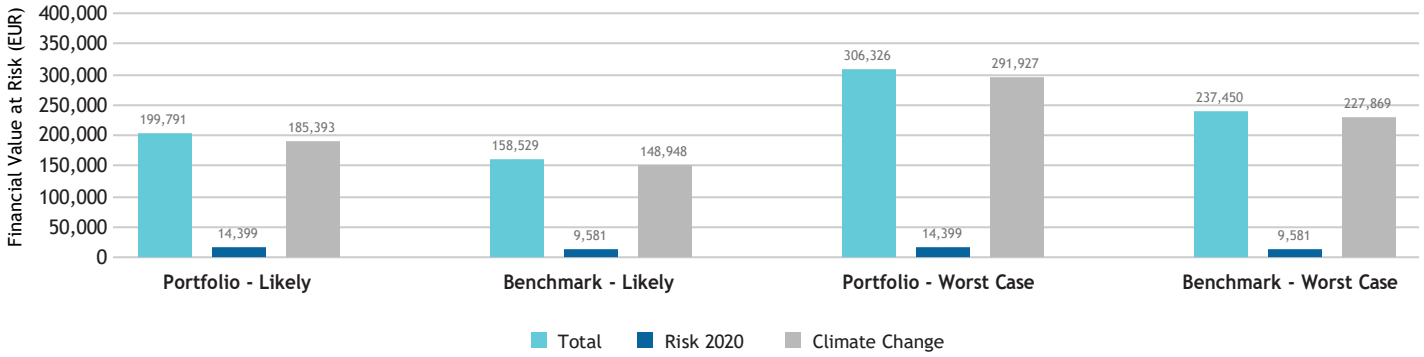


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

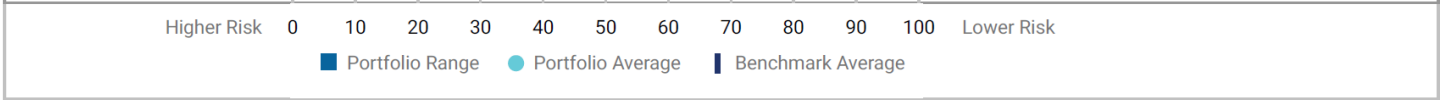
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

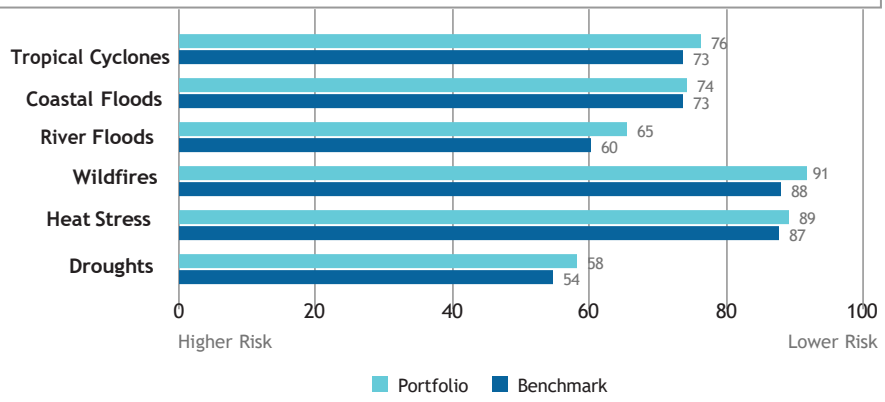
For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Information Technology		57	56	0.2%
Energy		58	64	<0.1%
Consumer Staples		64	53	<0.1%
Consumer Discretionary		66	58	0.2%
Industrials		70	65	<0.1%
Materials		75	63	0.2%
Financials		78	65	<0.1%
Health Care		82	54	<0.1%
Utilities		83	71	<0.1%
Communication Services		85	81	<0.1%
Real Estate		100	96	<0.1%



Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings — Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
BASF SE	1.96%	Materials	61	Moderate
Holcim Ltd.	1.69%	Materials	47	Moderate
Carrefour SA	1.54%	Consumer Staples	56	Moderate
NatWest Group Plc	1.53%	Financials	-	Not Covered
Abu Dhabi National Oil Co. for Distribution ...	1.49%	Consumer Discretionary	-	Not Covered

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Nordic Semiconductor ASA	29	55	50	46	100	50	37	Robust
Burberry Group plc	34	49	48	42	100	42	45	Moderate
CIE Automotive SA	34	45	47	39	100	50	39	Moderate
ASM International NV	35	49	51	40	100	100	42	Moderate
Vitrolife AB	36	100	100	70	100	100	50	Not Covered
Hermes International SCA	37	49	47	43	100	58	41	Moderate
LVMH Moet Hennessy Louis Vuitton SE	37	48	52	41	50	45	50	Moderate
Melexis NV	38	43	43	35	100	100	50	None
AIXTRON SE	40	100	67	75	100	100	50	Weak

SYQUANT TECHNOLOGY

Climate Report

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

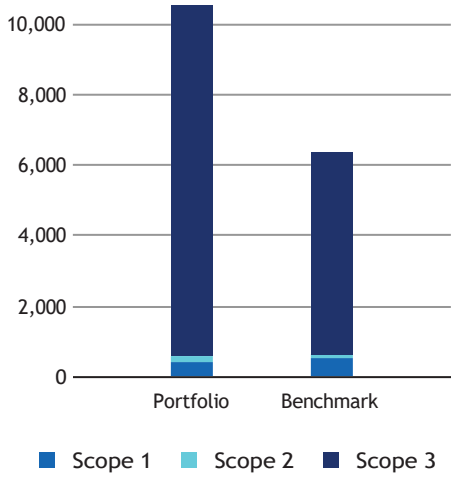
A. CARBON METRICS

Portfolio Overview[1]

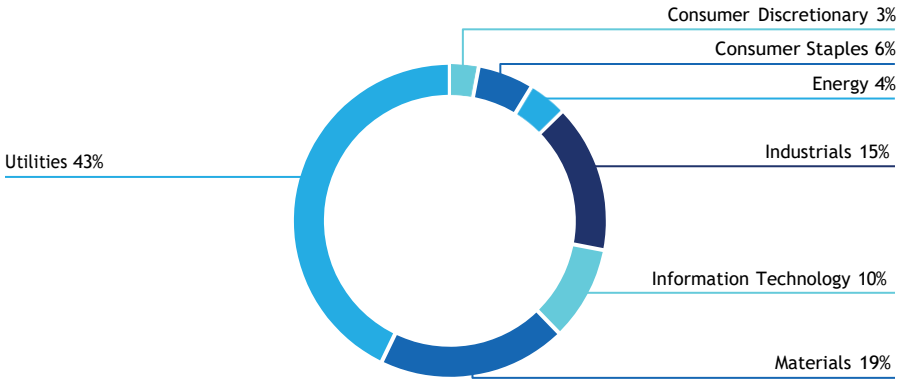
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested	tCO_2e/Revenue		Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	82.2% / 85.4%	560	10,504	75.09	191.24	283.81	72
Benchmark	96.8% / 98.4%	627	6,353	84.09	191.85	153.46	60
Net Performance	-14.6 p.p. /-13 p.p.	10.7%	-65.3%	10.7%	0.3%	-84.9%	–

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.
[2] Note: Carbon Risk Rating data is current as of the date of report generation.
[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
Enel SpA	16.46%	3.17%	Moderate	Outperformer
Imerys SA	11.96%	1.95%	Strong	Medium Performer
Compagnie de Saint-Gobain SA	11.91%	3.37%	Moderate	Outperformer
Graphic Packaging Holding Company	6.80%	2.52%	Strong	Medium Performer
NextEra Energy, Inc.	6.13%	2.42%	Strong	Outperformer
Drax Group Plc	5.83%	1.72%	Strong	Outperformer
SSE Plc	4.37%	1.60%	Strong	Medium Performer
Canadian Solar Inc.	4.35%	1.86%	Inconsistent	Leader
Darling Ingredients Inc.	4.30%	2.36%	Moderate	Medium Performer
Neste Corp.	4.01%	4.56%	Moderate	Medium Performer
Total for Top 10	76.10%	25.51%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs.Benchmark

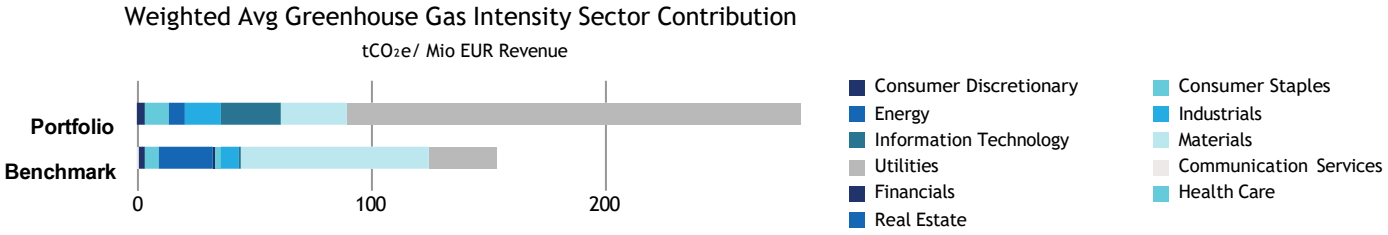
Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Consumer Discretionary	3.97%	9.89%	-5.92%	0.82%	-2.07%
Consumer Staples	4.81%	12.15%	-7.34%	1.5%	-4.17%
Energy	4.56%	6.36%	-1.81%	6.5%	12.83%
Industrials	25.37%	14.72%	10.65%	-3.66%	-4.94%
Information Technology	15.16%	7.04%	8.12%	-0.37%	-7.98%
Materials	6.58%	8.91%	-2.33%	12.79%	18.71%
Utilities	39.55%	4.26%	35.29%	-145.74%	125.09%
Communication Services	0%	3.29%	-3.29%	0.2%	0%
Financials	0%	16.68%	-16.68%	0.27%	0%
Health Care	0%	15.33%	-15.33%	0.88%	0%
Real Estate	0%	1.37%	-1.37%	0.06%	0%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				-126.76%	137.46%
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				11%	

Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	-0.13%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	-0.07%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.29%
6. SSAB AB	Materials	1,934.39	Outperformer	-0.03%
7. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
8. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
9. OCI NV	Materials	1,307.16	Medium Performer	-0.05%
10. Yara International ASA	Materials	1,232.25	Outperformer	-0.07%

Greenhouse Gas Emission Intensity



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. NextEra Energy, Inc.	2,393.20	4,034.45
2. Neoen SA	1,319.30	613.58
3. Northland Power Inc.	858.67	613.58
4. Enel SpA	697.53	4,034.45
5. Wolfspeed, Inc.	677.47	182.78
6. SSE Plc	616.29	4,034.45
7. Imerys SA	558.35	447.88
8. Ganfeng Lithium Co., Ltd.	449.06	566.37
9. Darling Ingredients Inc.	437.61	154.22
10. Graphic Packaging Holding Company	387.24	271.03

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

The SYQUANT TECHNOLOGY strategy in its current state is MISALIGNED with a SDS scenario by 2050. The SYQUANT TECHNOLOGY has a potential temperature increase of 1.6°C, whereas the SXXR has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-61.89%	-57.99%	-18.02%	+98.4%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

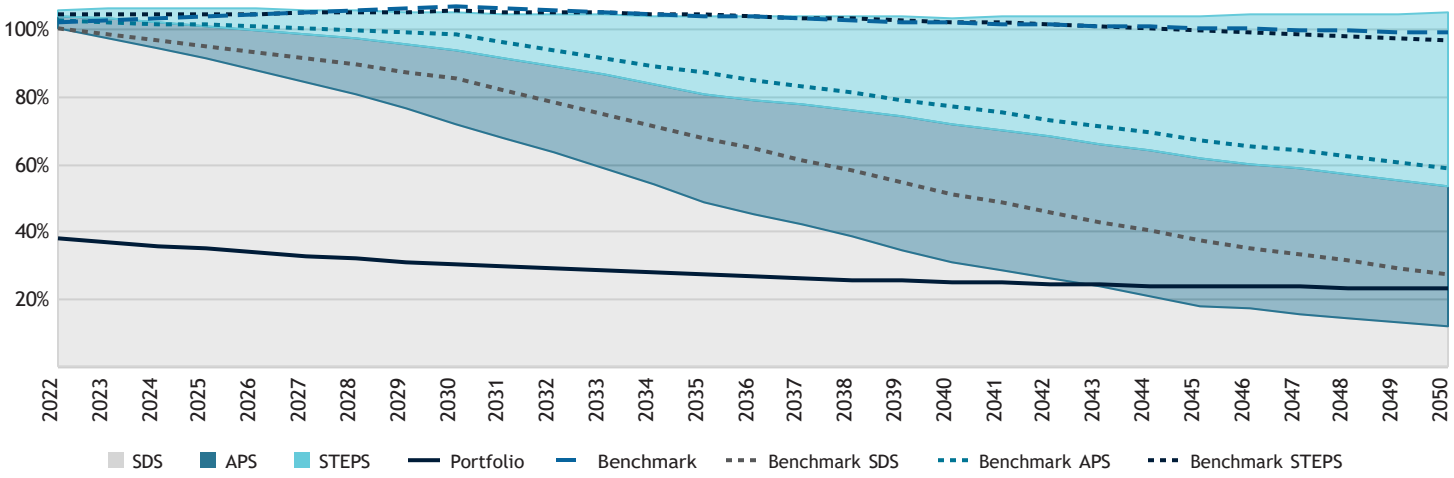
2043

The portfolio exceeds its SDS budget in 2043.

1.6°C

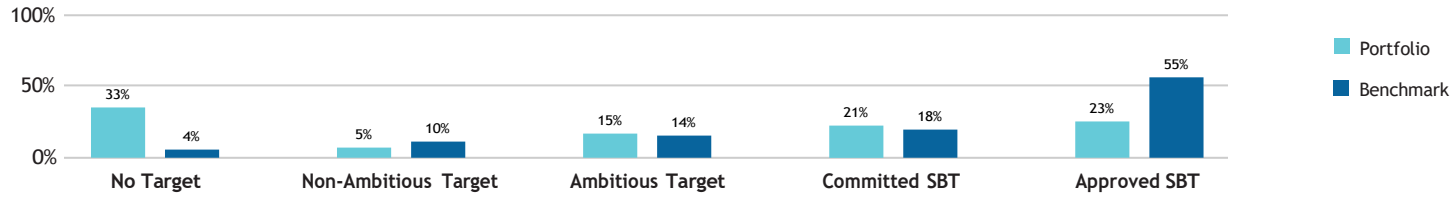
The portfolio is associated with a potential temperature increase of 1.6°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



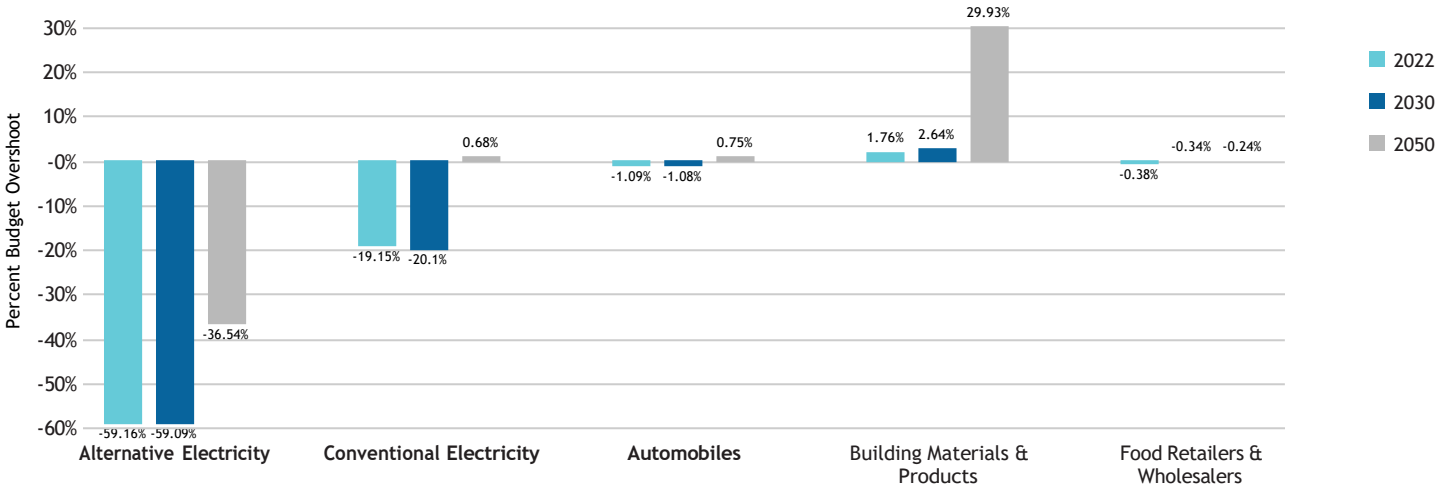
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 60% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 33% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

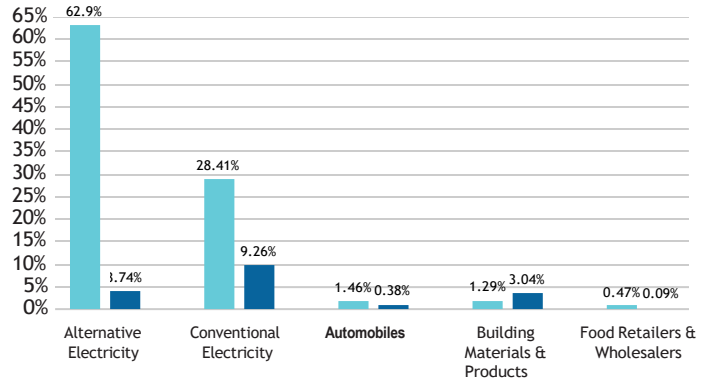
Sub-sector SDS Budget Overshoot



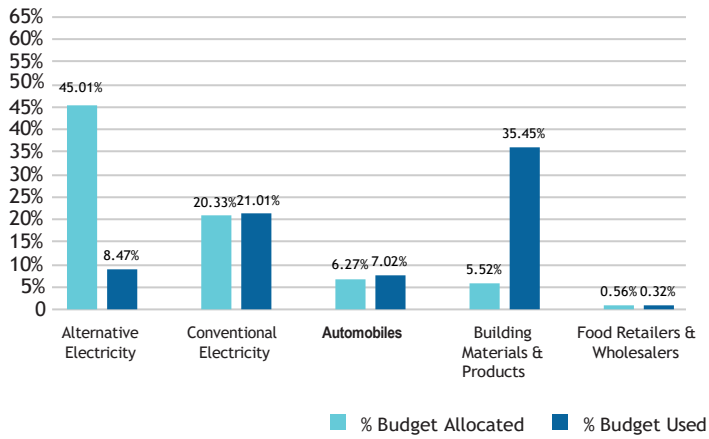
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

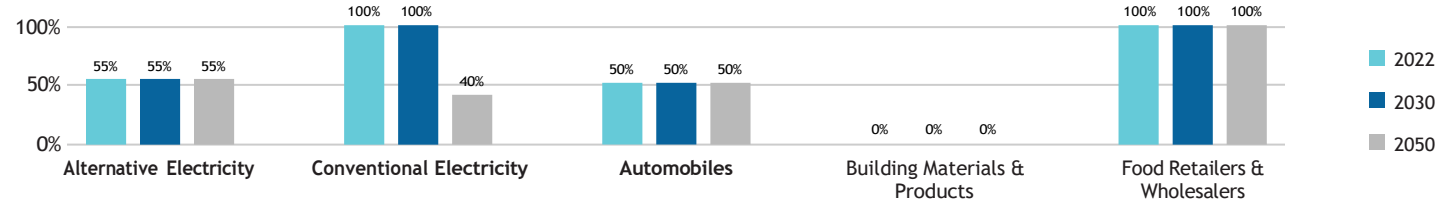
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



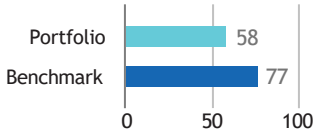
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



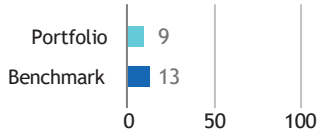
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

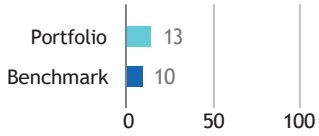
Material GHG Disclosure (%)



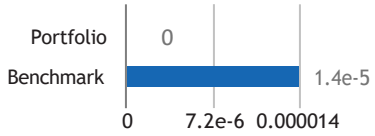
Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions ($GtCO_2e$)



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

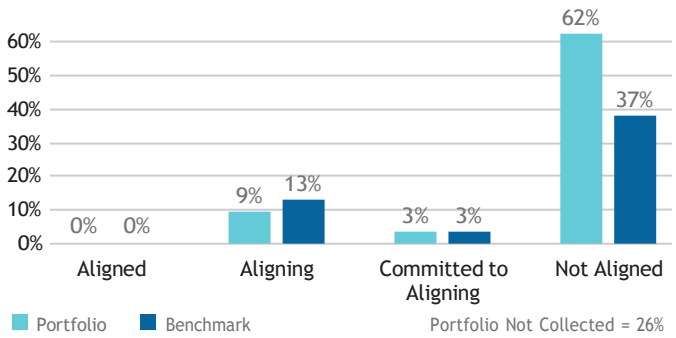
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	52.64	52.74	55.68	86.37	22.45	24.43	27.93	55.33	1.33 k	1.28 k	1.28 k	1.71 k
NZE Trajectory	-	43.84	32.83	0	-	18.69	14	0	-	1.11 k	831.17	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	2.85 k	2.81 k	3 k	5.06 k	10.5 k	10.15 k	10.18 k	13.79 k
NZE Trajectory	-	2.37 k	1.78 k	0	-	8.75 k	6.55 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	6.35 k	6.79 k	7.58 k	13.62 k

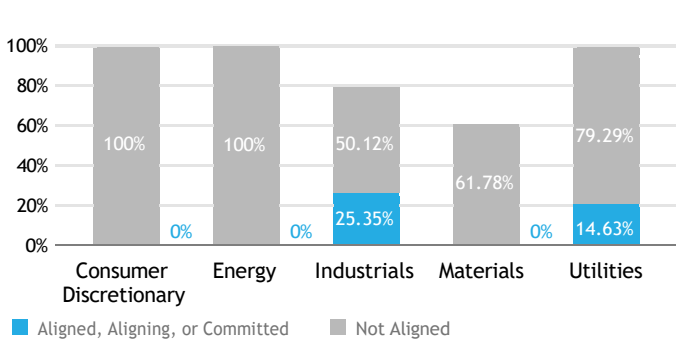
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as “Aligned”. An issuer is “Committed to Aligning” if it has set a NZ target for 2050 and “Aligning” if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered “Not Aligned”.

Target Alignment Status



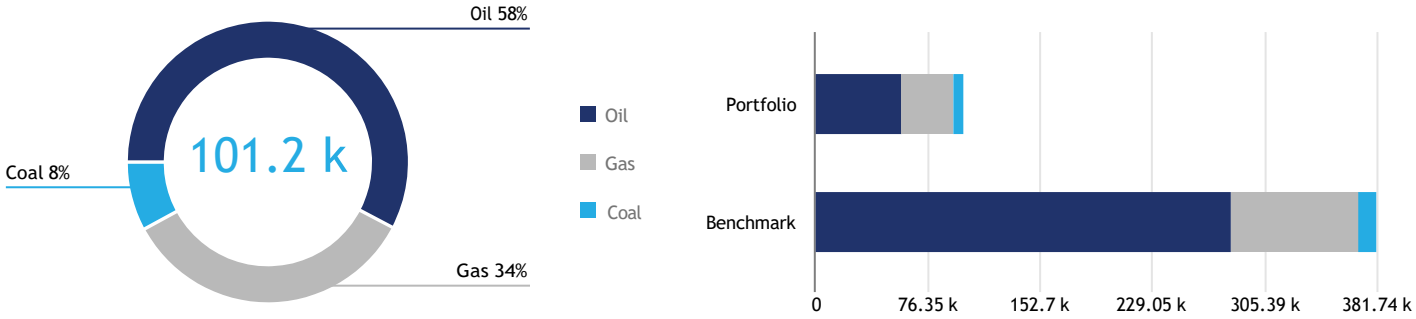
Alignment per High Impact Sector



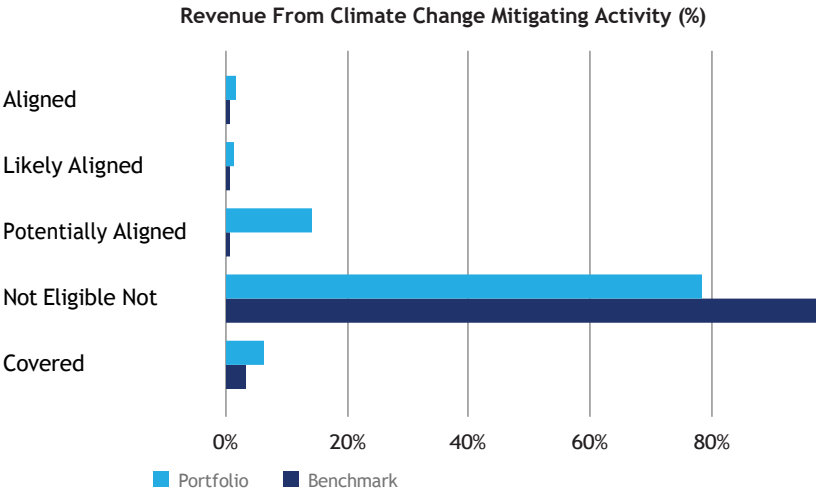
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 101.2 k EUR revenue linked to fossil fuels, which account for 3% of total portfolio revenue. Of the revenue from fossil fuels, 58% is attributed to oil, 34% to gas, and 8% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -73%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment. Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered “Not Eligible”. Where there is a lack of data to make an assessment, revenues are categorized as “Not Covered”.

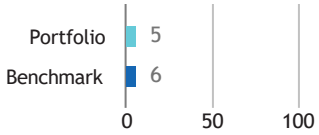
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
Neste Corp.	4.56%	Energy	0%	Not aligned	Yes
Neoen SA	4.54%	Utilities	75%	Not aligned	No
Corporacion Acciona Energias Renovables SA	4.17%	Utilities	69.09%	Not aligned	No
Alfen NV	3.84%	Industrials	0%	Not aligned	No
Ormat Technologies, Inc.	3.37%	Utilities	15.26%	Not aligned	No

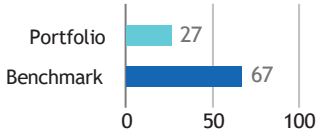
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

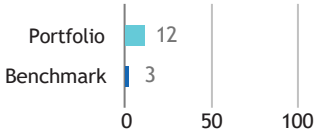
Transition Value at Risk (%)



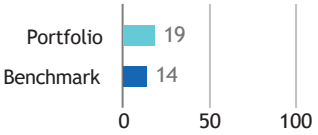
Issuers at Risk (%)



Portfolio Green Revenues (%)

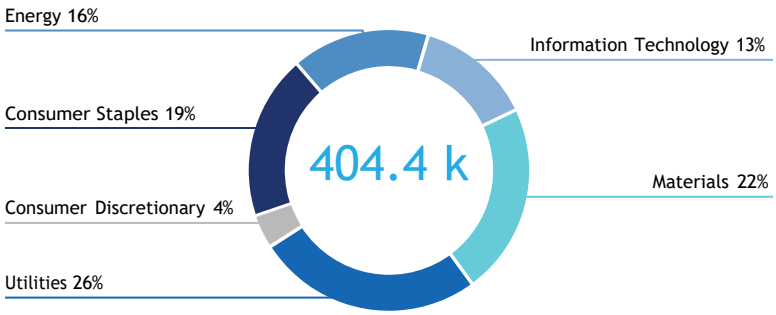


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 404.4 k EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
Graphic Packaging Holding Company	2.52%	Materials	97.66%	43.37%
Darling Ingredients Inc.	2.36%	Consumer Staples	86.8%	9.54%
Canadian Solar Inc.	1.86%	Information Technology	76.61%	1.89%
Neste Corp.	4.56%	Energy	39.35%	48.72%
China Datang Corp. Renewable Power Co. Ltd.	1.45%	Utilities	25.59%	23.87%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Scatec ASA	2.41%	Utilities	100%	11.39%
ENPHASE ENERGY, INC.	2.16%	Information Technology	100%	12.12%
Canadian Solar Inc.	1.86%	Information Technology	100%	12.12%
China Datang Corp. Renewable Power Co. Ltd.	1.45%	Utilities	99.9%	11.39%
Boralex Inc.	2.08%	Utilities	93.5%	11.39%

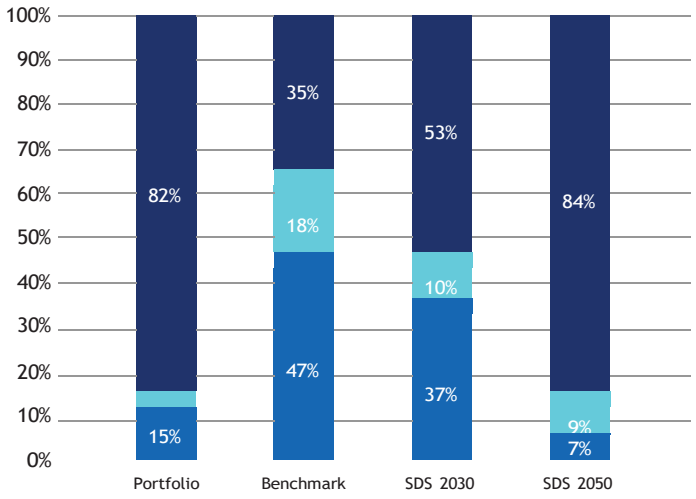
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	81.56%	15.12%	1.6%	-	72
Benchmark	35.08%	46.64%	8.74%	14.46	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



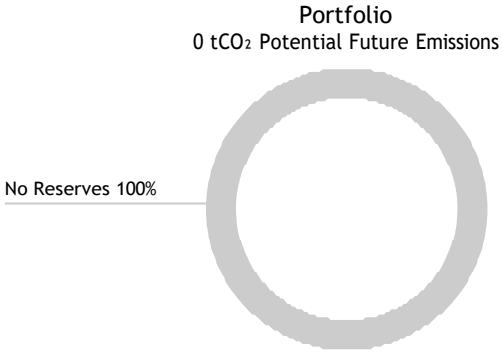
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

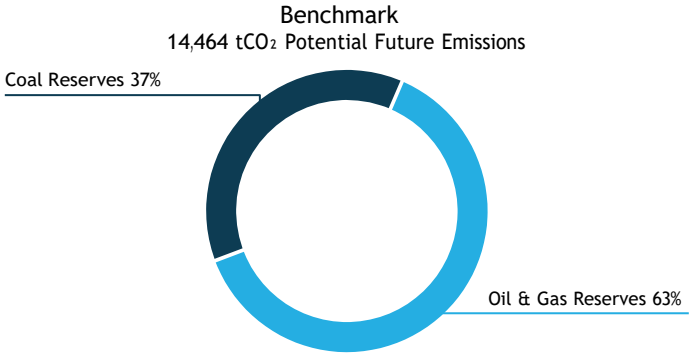
Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Enel SpA	38.7%	57.5%	16.46%	263.62
NextEra Energy, Inc.	49%	40.8%	6.13%	194.52
Drax Group Plc	28.9%	71.1%	5.83%	76.99
SSE Plc	59.2%	40.8%	4.37%	273.24
Neoen SA	0%	85.2%	3.57%	89.68

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 0 tCO_2 of potential future emissions, of which - stem from Coal reserves, - from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.





Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
No Applicable Data			

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

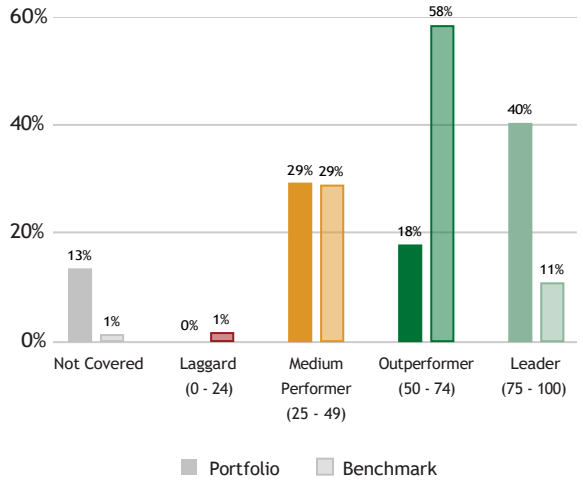
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
Compagnie de Saint-Gobain SA	3.37%	-	Services	-	Services

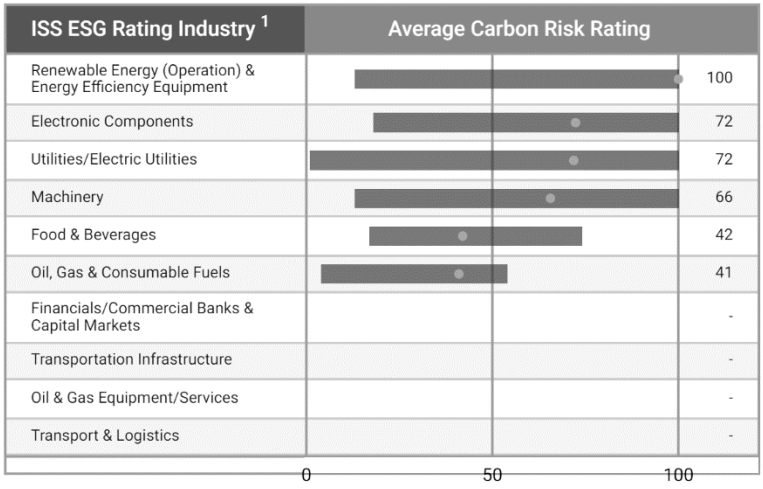
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
First Solar, Inc.	USA	Semiconductors	100	5.08%
Neoen SA	France	Renewable Electricity	100	4.54%
Ormat Technologies, Inc.	USA	Renewable Electricity	100	3.37%
SunPower Corporation	USA	Semiconductors	100	3.03%
Scatec ASA	Norway	Renewable Electricity	100	2.41%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Imerys SA	France	Construction Materials	39	1.95%
BYD Company Limited	China	Automobile	37	1.24%
Alfen NV	Netherlands	Electrical Equipment	34	3.84%
Tianqi Lithium Corp.	China	Chemicals	34	0.9%
Stem, Inc.	USA	Software & Diversified IT Services	25	1.35%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

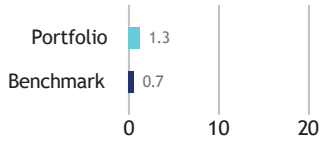
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

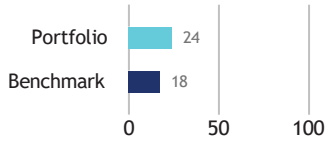
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

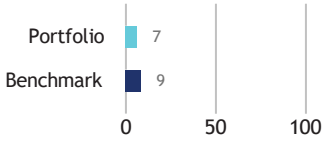
Portfolio Value at Risk (% change)



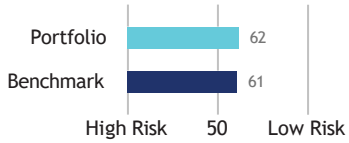
Issuers at Risk (%)



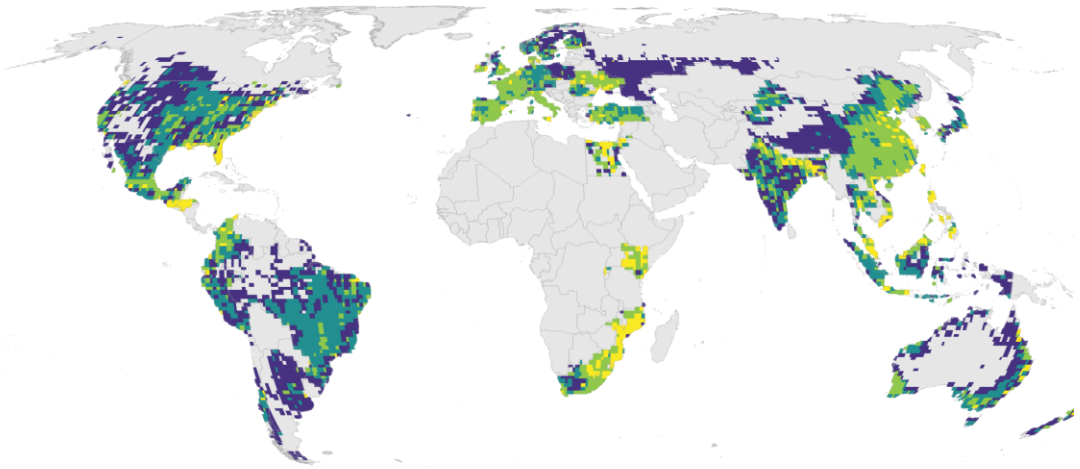
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



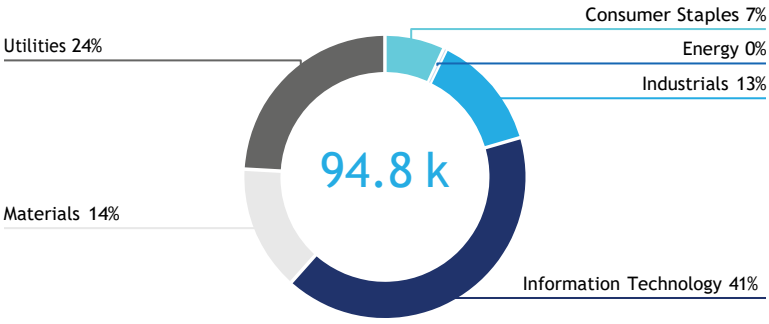
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

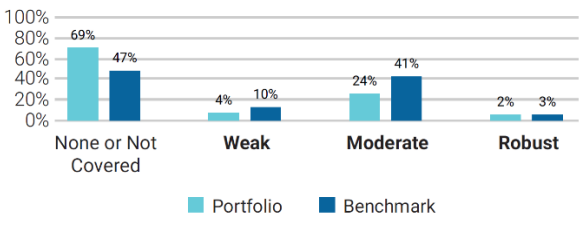
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

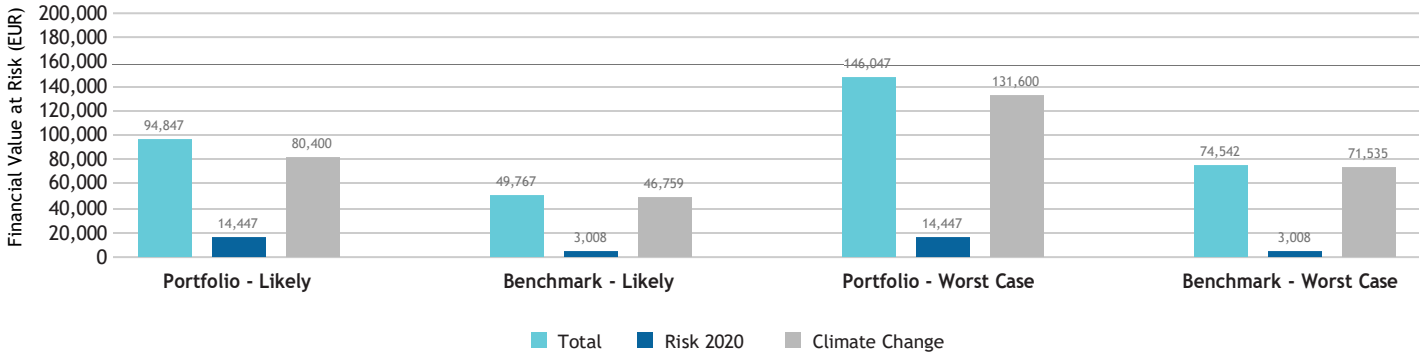


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

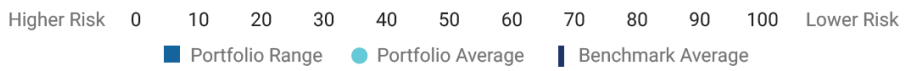
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

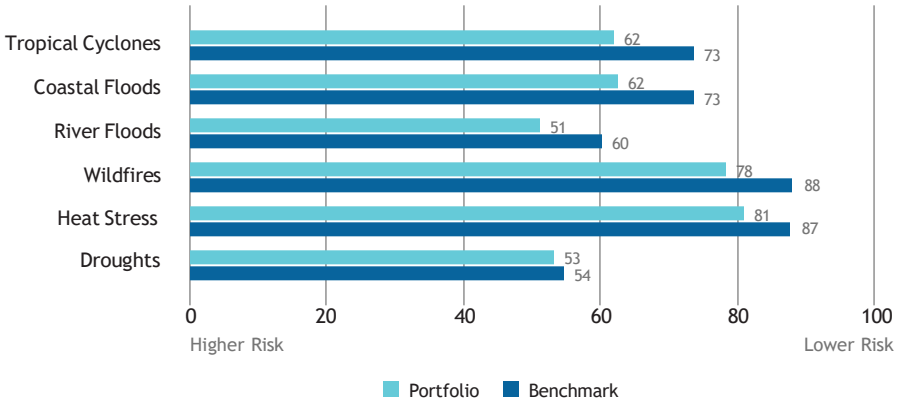
Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Information Technology		49	56	0.5%
Utilities		57	71	0.3%
Consumer Staples		58	53	<0.1%
Consumer Discretionary		59	58	0%
Materials		66	63	0.2%
Industrials		76	65	0.2%
Energy		82	64	<0.1%



Portfolio Range Portfolio Average Benchmark Average

Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings — Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
First Solar, Inc.	5.08%	Information Technology	-	Not Covered
Neste Corp.	4.56%	Energy	82	Weak
Neoen SA	4.54%	Utilities	60	Not Covered
Corporacion Acciona Energias Renovables ...	4.17%	Utilities	-	Not Covered
Samsung SDI Co., Ltd.	3.93%	Information Technology	47	Moderate

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
China Datang Corp. Renewable Power Co. Ltd.	30	17	29	19	48	100	50	Not Covered
Flat Glass Group Co., Ltd.	33	28	28	24	100	100	42	Not Covered
Scatec ASA	34	43	34	37	45	40	25	Moderate
BYD Company Limited	35	40	49	36	100	100	50	None
Ormat Technologies, Inc.	38	56	54	25	38	37	50	Moderate
NextEra Energy, Inc.	38	29	55	47	44	50	50	Not Covered
Tianqi Lithium Corp.	42	27	31	24	60	62	50	Not Covered
Ganfeng Lithium Co., Ltd.	43	44	49	34	100	100	50	Not Covered
Canadian Solar Inc.	44	45	49	36	100	60	42	Not Covered
Sunnova Energy International, Inc.	44	27	27	41	37	35	50	Not Covered

HELIUM OPPORTUNITE

Climate Report

A. Carbon Metrics

B. Climate Scenario Alignment

C. Net Zero Analysis

D. Transition Climate Risk Analysis

E. Physical Climate Risk Analysis

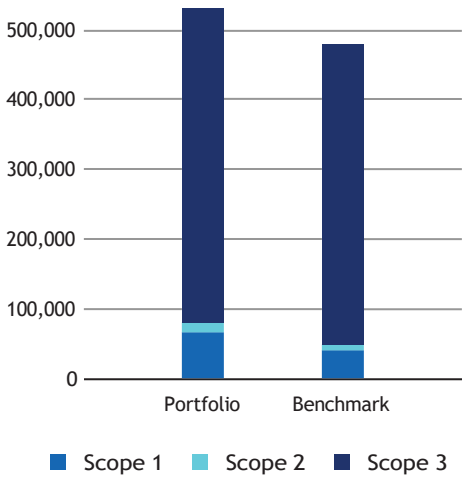
A. CARBON METRICS

Portfolio Overview[1]

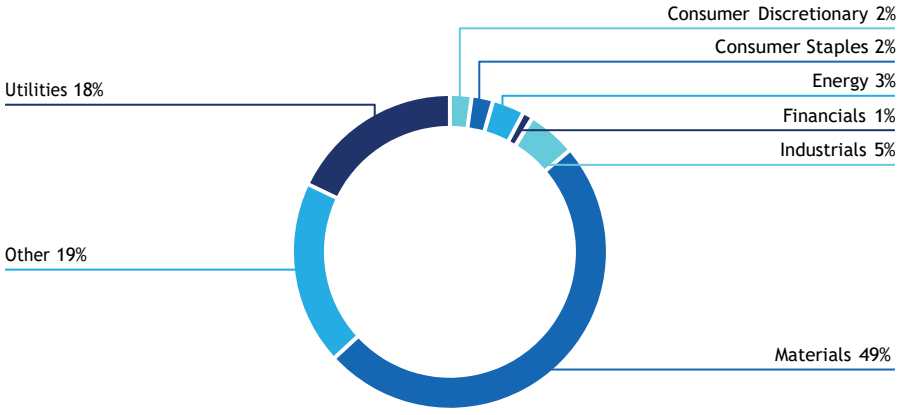
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested		tCO_2e/Revenue	Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	75.5% / 87.5%	79,247	530,282	141.31	210.40	158.33	60
Benchmark	96.8% / 98.4%	47,157	477,577	84.09	191.85	153.46	60
Net Performance	-21.3 p.p. /-10.9 p.p.	-68%	-11%	-68%	-9.7%	-3.2%	–

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.

[2] Note: Carbon Risk Rating data is current as of the date of report generation.

[3] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
ArcelorMittal SA	24.49%	0.83%	Strong	Medium Performer
Ahlstrom Holding 3 Oy	18.61%	2.96%	Inconsistent	-
Fortum Oyj	14.47%	0.64%	Strong	Medium Performer
SSAB AB	11.90%	0.87%	Strong	Outperformer
Holcim Ltd.	5.27%	0.27%	Moderate	Medium Performer
UPM-Kymmene Oyj	3.69%	2.49%	Moderate	Outperformer
Electricite de France SA	2.85%	2.23%	Strong	Medium Performer
BASF SE	2.33%	1.04%	Strong	Outperformer
Vallourec SA	1.83%	0.42%	Moderate	Outperformer
Air France-KLM SA	1.77%	0.28%	Strong	Medium Performer
Total for Top 10	87.22%	12.02%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs. Benchmark

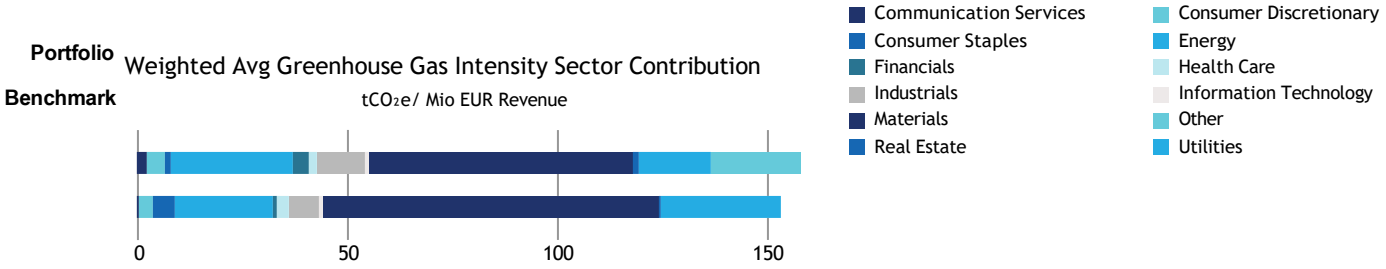
Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	10.26%	3.29%	6.97%	-0.42%	-0.6%
Consumer Discretionary	15.37%	9.89%	5.48%	-0.76%	-1.58%
Consumer Staples	5.66%	12.15%	-6.49%	1.33%	-2.49%
Energy	0.99%	6.36%	-5.37%	19.35%	-1.88%
Financials	22.3%	16.68%	5.63%	-0.09%	-1.4%
Health Care	5.51%	15.33%	-9.82%	0.56%	-0.46%
Industrials	12.26%	14.72%	-2.47%	0.85%	-4.05%
Information Technology	7.49%	7.04%	0.45%	-0.02%	-0.14%
Materials	6.29%	8.91%	-2.62%	14.38%	-47.21%
Other	3.38%	0%	3.38%	0%	-31.28%
Real Estate	6.15%	1.37%	4.78%	-0.2%	0.11%
Utilities	4.35%	4.26%	0.09%	-0.37%	-11.68%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				**34.62%**	**-102.66%**
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				**-68%**	

Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	0.7%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	0.56%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.02%
6. SSAB AB	Materials	1,934.39	Outperformer	0.84%
7. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
8. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
9. OCI NV	Materials	1,307.16	Medium Performer	-0.05%
10. Yara International ASA	Materials	1,232.25	Outperformer	-0.07%

Greenhouse Gas Emission Intensity



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. Euronav NV	6,788.19	1,575.06
2. Holcim Ltd.	5,089.38	6,882.41
3. Frontline Ltd.	3,347.53	1,356.02
4. Air Products and Chemicals, Inc.	2,801.41	1,698.15
5. Atlas Corp. (British Columbia)	2,385.06	1,575.06
6. ArcelorMittal SA	2,138.79	1,166.74
7. Air Liquide SA	1,557.89	1,698.15
8. Neoen SA	1,319.30	613.58
9. SSAB AB	1,230.10	1,166.74
10. Air France-KLM SA	1,141.28	1,326.09

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Helium Opportunite strategy in its current state is MISALIGNED with a SDS scenario by 2050. The Helium Opportunite has a potential temperature increase of 2.1°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-54.45%	-43.97%	+11.4%	+153.65%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

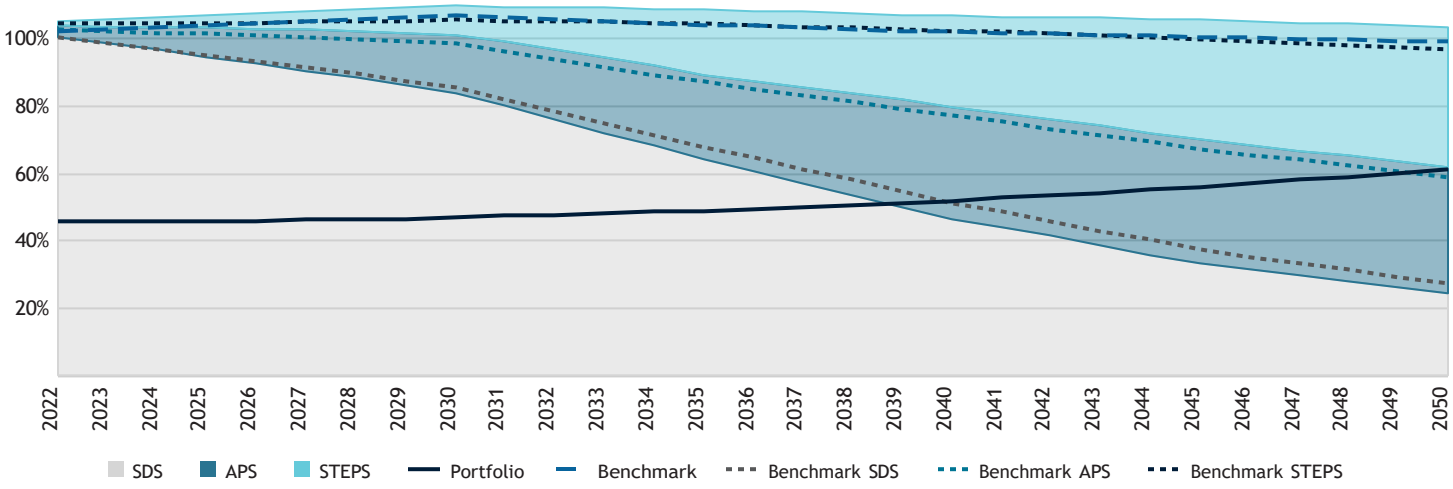
2039

The portfolio exceeds its SDS budget in 2039.

2.1°C

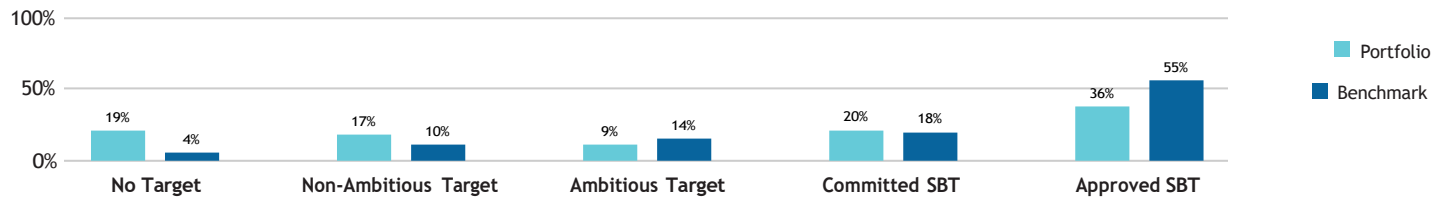
The portfolio is associated with a potential temperature increase of 2.1°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



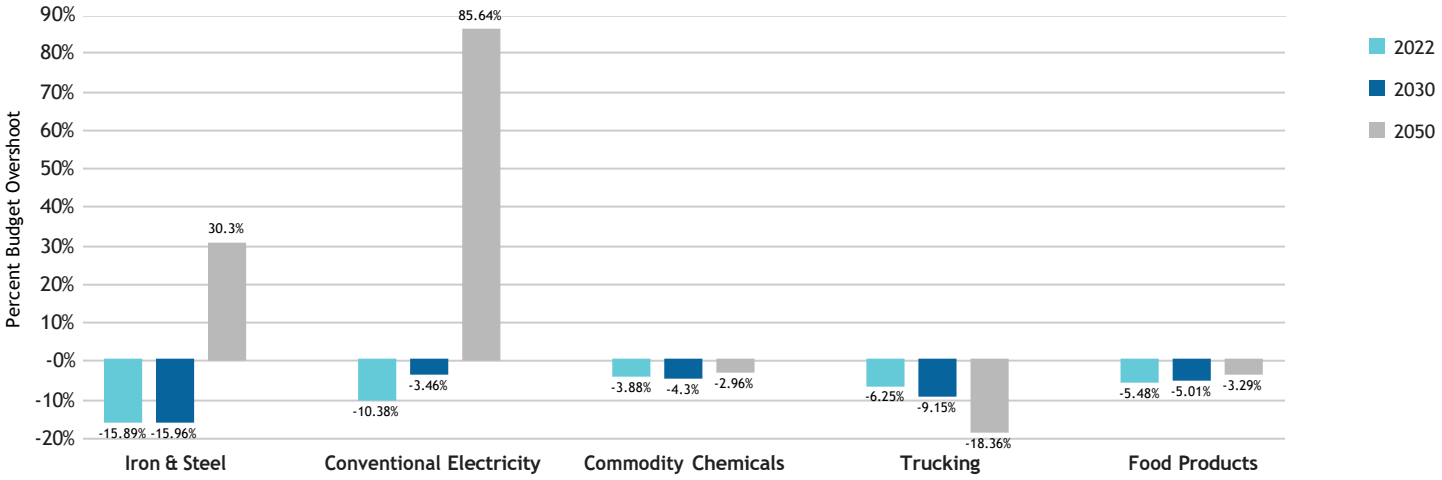
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 65% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 19% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

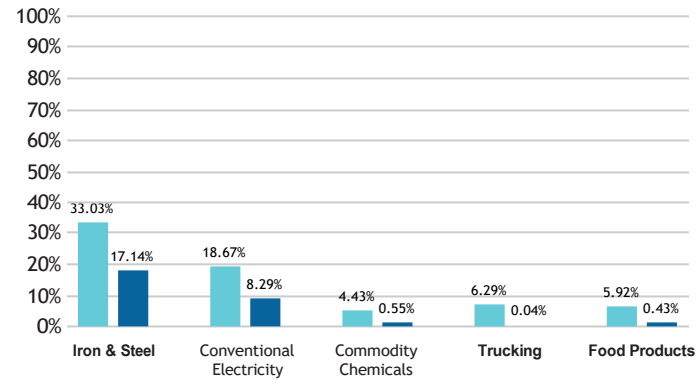
Sub-sector SDS Budget Overshoot



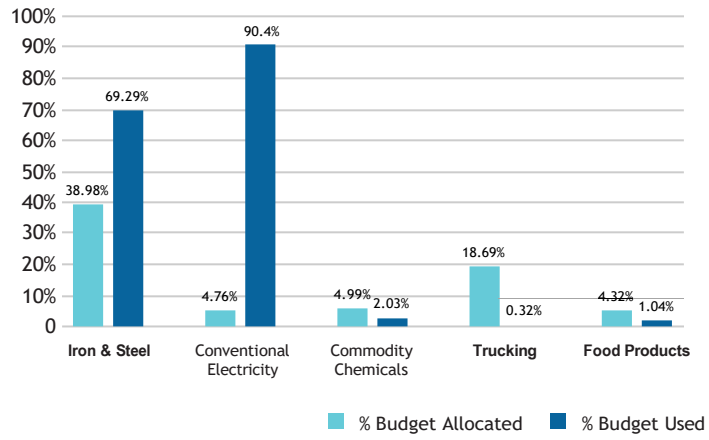
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

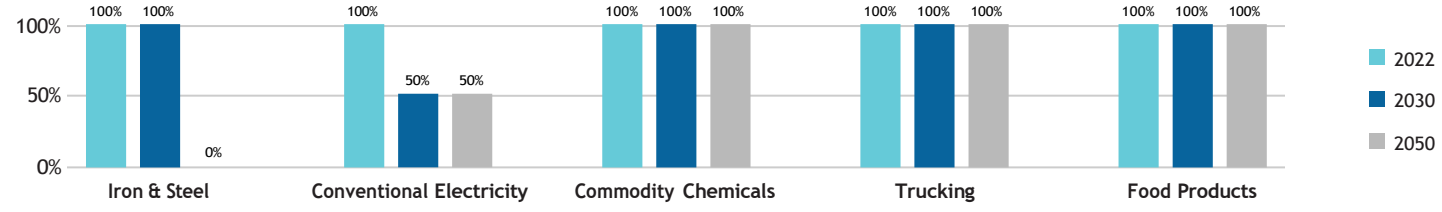
Pct. of Allocated Budget vs Pct. of Total Budget Used 2022



Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



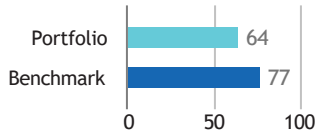
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



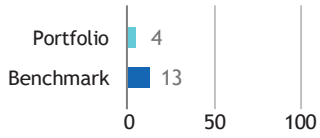
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

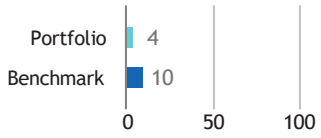
Material GHG Disclosure (%)



Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions ($GtCO_2e$)

Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

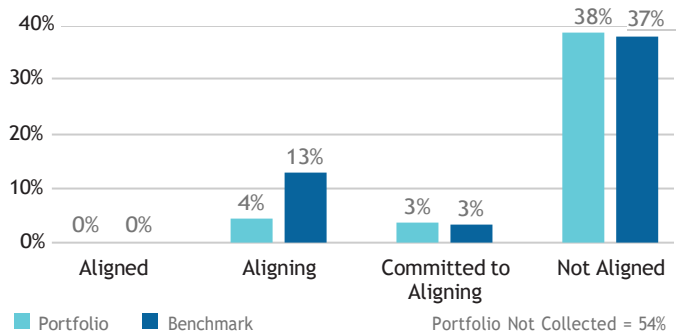
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	117.77	115.85	122.49	171.11	23.54	22.75	25.52	46.95	804.27	811.19	848.64	1.31 k
NZE Trajectory	-	98.07	73.44	0	-	19.6	14.68	0	-	669.71	501.51	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	1.02 k	1.03 k	1.11 k	1.9 k	530.28 k	532.64 k	558.92 k	857.31 k
NZE Trajectory	-	853.01	638.78	0	-	441.56 k	330.66 k	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	477.58 k	510.63 k	569.54 k	1.02 M

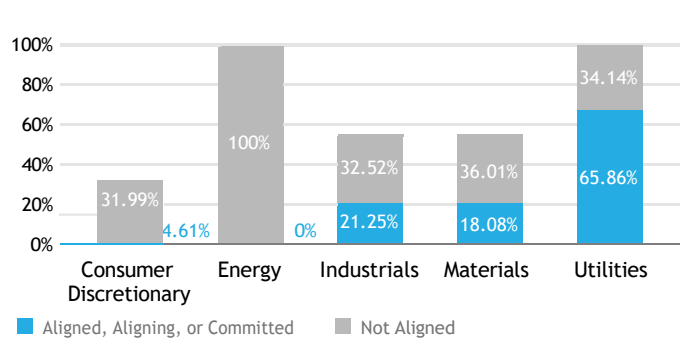
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as “Aligned”. An issuer is “Committed to Aligning” if it has set a NZ target for 2050 and “Aligning” if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered “Not Aligned”.

Target Alignment Status



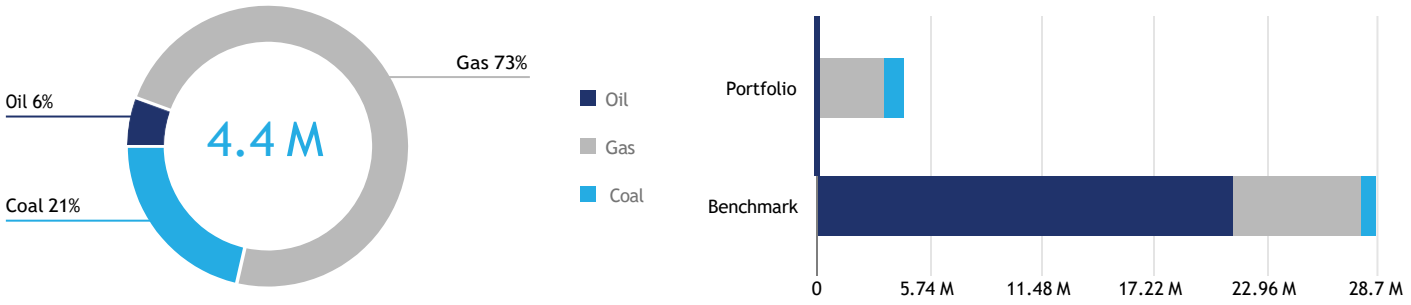
Alignment per High Impact Sector



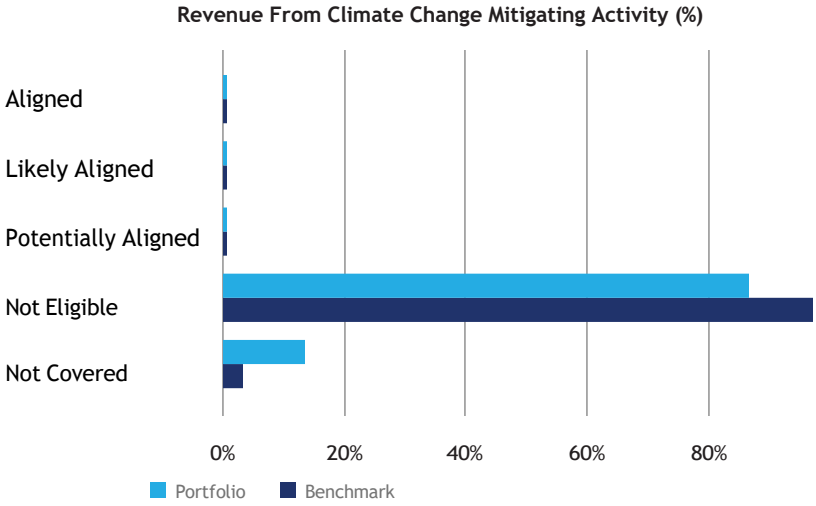
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 4.4 M EUR revenue linked to fossil fuels, which account for 1% of total portfolio revenue. Of the revenue from fossil fuels, 6% is attributed to oil, 73% to gas, and 21% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -84%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment. Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered “Not Eligible”. Where there is a lack of data to make an assessment, revenues are categorized as “Not Covered”.

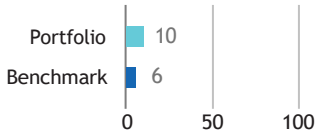
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
BNP Paribas SA	4.82%	Financials	0%	Not aligned	No
Nordea Bank Abp	3.49%	Financials	0%	Not aligned	No
Hunter Douglas NV	2.81%	Consumer Discretionary	0%	Not aligned	No
JPMorgan Chase & Co.	1.94%	Financials	0%	Not aligned	No
The Goldman Sachs Group, Inc.	1.74%	Financials	0%	Not aligned	No

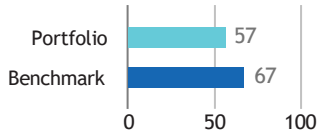
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

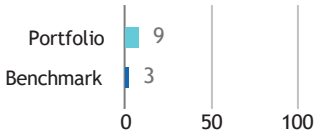
Transition Value at Risk (%)



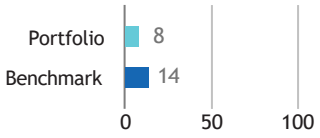
Issuers at Risk (%)



Portfolio Green Revenues (%)

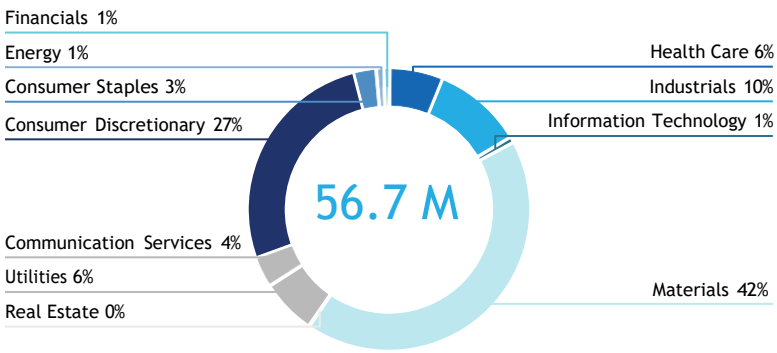


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 56.7 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
BASF SE	1.04%	Materials	100%	43.37%
SSAB AB	0.87%	Materials	100%	43.37%
ArcelorMittal SA	0.83%	Materials	100%	43.37%
Fortum Oyj	0.64%	Utilities	100%	23.87%
Holcim Ltd.	0.27%	Materials	100%	43.37%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Siemens Gamesa Renewable Energy SA	2.17%	Industrials	100%	5.7%
Encavis AG	0.27%	Utilities	100%	11.39%
OSRAM Licht AG	3.3%	Industrials	73.1%	5.7%
Siemens Energy AG	0.23%	Industrials	40.5%	5.7%
Fortum Oyj	0.64%	Utilities	35.6%	11.39%

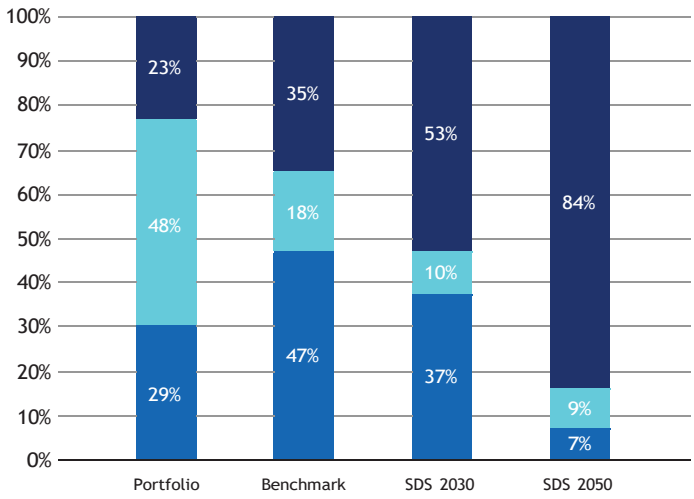
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	23.22%	28.87%	4.7%	127.94	60
Benchmark	35.08%	46.64%	8.74%	1,087.29	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



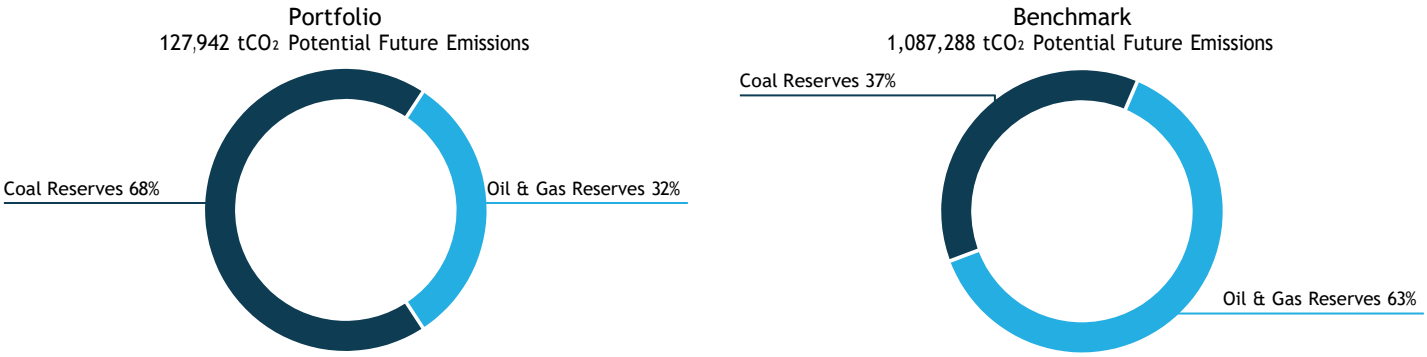
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Fortum Oyj	60.9%	18.3%	14.47%	371.74
Electricite de France SA	15.4%	28.2%	2.85%	52.87
Neoen SA	0%	85.2%	0.17%	89.68
Audax Renovables SA	0%	100%	0.09%	-
Voltalia	1.1%	98.9%	0.05%	9.61

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 127,942 tCO_2 of potential future emissions, of which 68% stem from Coal reserves, 32% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
ArcelorMittal SA	50.32%	-	-
BASF SE	29.43%	54	-
Anglo American plc	18.13%	-	67
BW Offshore Ltd.	1.67%	-	-
Saudi Arabian Oil Co.	0.45%	2	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

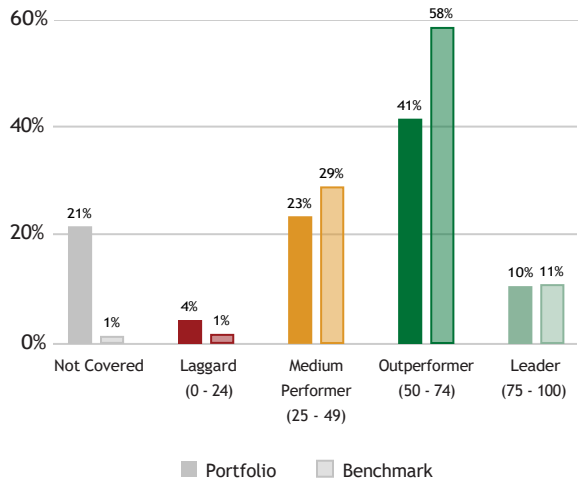
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
BASF SE	1.04%	-	Production	-	Production
RPS Group plc	1%	-	Services	-	Services
Compagnie Generale des Etablissements Michel…	0.48%	-	Services	-	Services
Vallourec SA	0.42%	-	Services	Services	Services
Air Liquide SA	0.09%	-	Services	-	Services

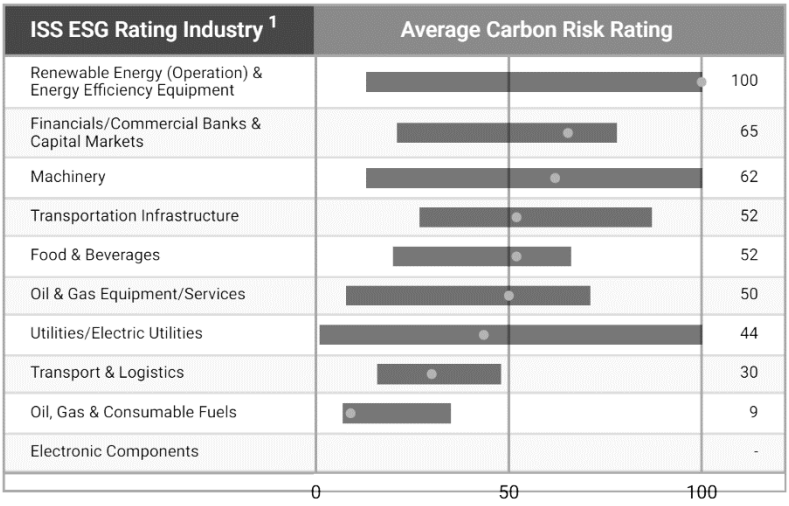
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	2.17%
Voltalia	France	Renewable Electricity	100	0.68%
Neoen SA	France	Renewable Electricity	100	0.41%
Encavis AG	Germany	Renewable Electricity	100	0.27%
Ipsen SA	France	Pharmaceuticals & Biotechnology	85	0.11%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Bigben Interactive SA	France	Electronic Devices & Appliances	22	0.17%
iRobot Corporation	USA	Electronic Devices & Appliances	20	0.22%
Frontline Ltd.	Bermuda	Marine Transportation	19	0.08%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	2.34%
Saudi Arabian Oil Co.	Saudi Arabia	Integrated Oil & Gas	9	0%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

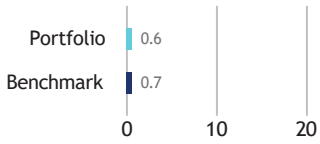
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

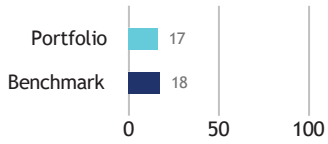
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

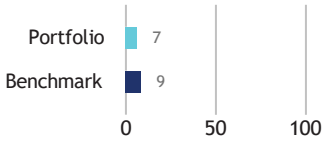
Portfolio Value at Risk (% change)



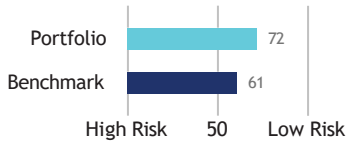
Issuers at Risk (%)



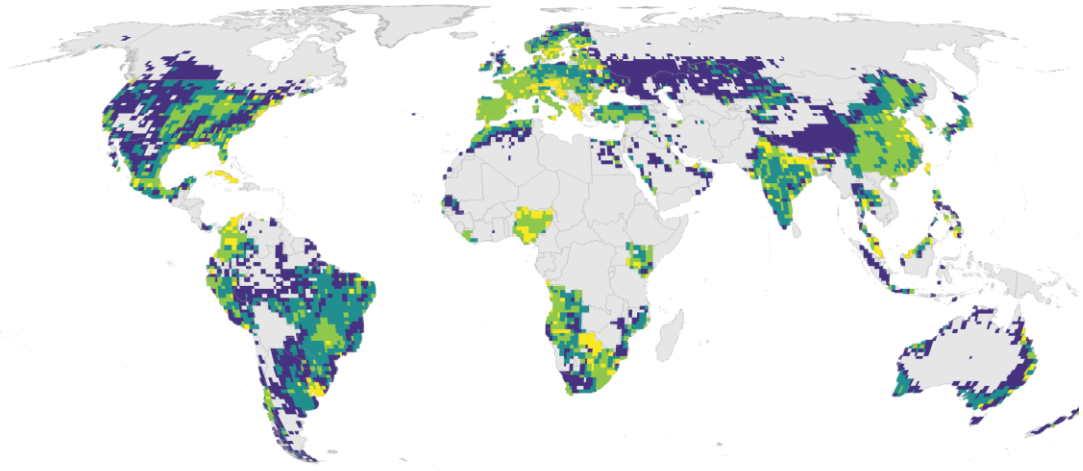
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



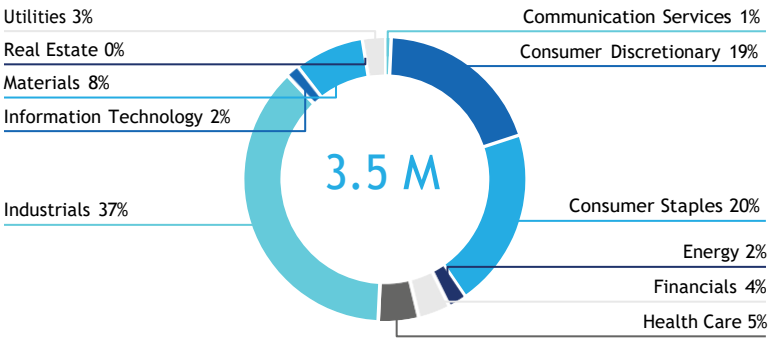
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

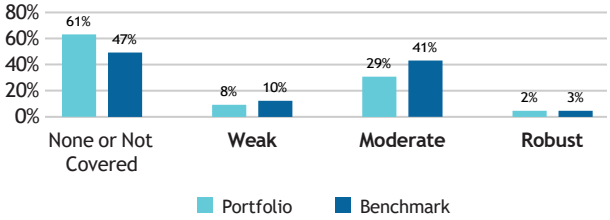
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

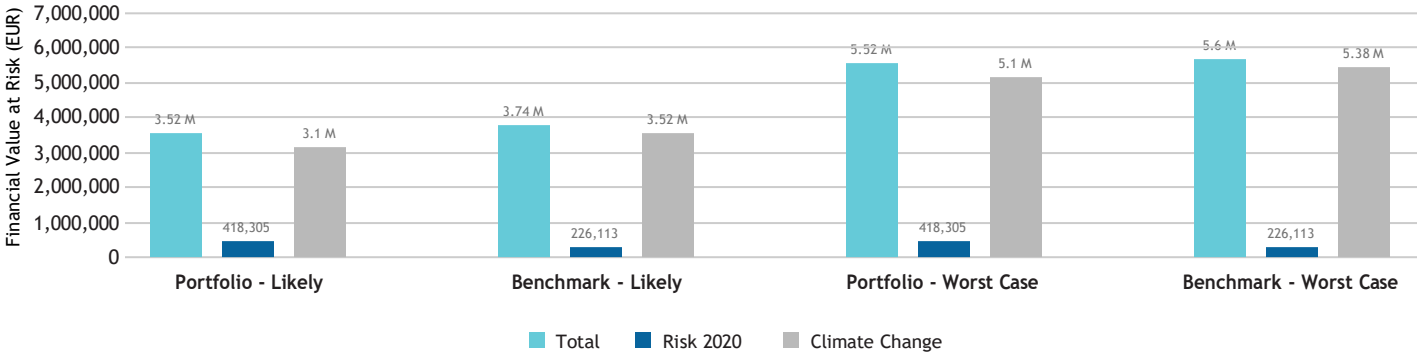


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

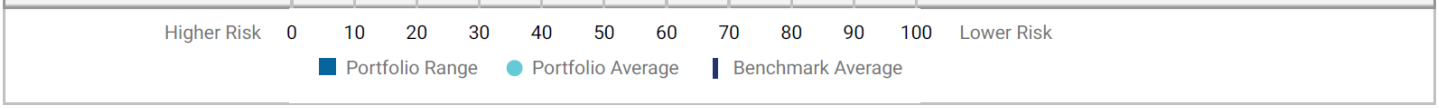
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

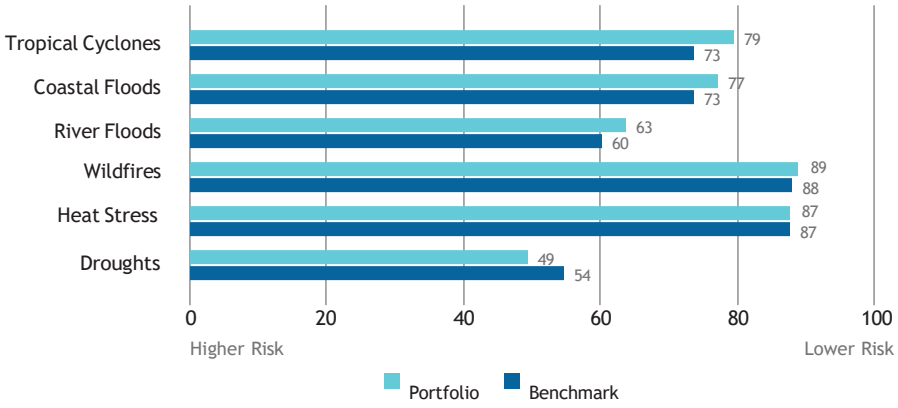
For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Energy		54	64	<0.1%
Financials		61	65	<0.1%
Consumer Staples		61	53	0.1%
Industrials		63	65	0.2%
Health Care		67	54	<0.1%
Consumer Discretionary		73	58	0.1%
Materials		77	63	<0.1%
Utilities		82	71	<0.1%
Communication Services		87	81	<0.1%
Real Estate		92	96	<0.1%
Information Technology		98	56	<0.1%
Other		-	-	0%



Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings — Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
BNP Paribas SA	4.82%	Financials	74	Moderate
Lagardere SA	4.3%	Communication Services	82	Not Covered
Nordea Bank Abp	3.49%	Financials	49	Weak
OSRAM Licht AG	3.3%	Industrials	42	Weak
Ahlstrom Holding 3 Oy	2.96%	NotCollected	-	Not Covered

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Instituto Hermes Pardini SA	26	100	100	41	100	55	22	Not Covered
Atlas Corp. (British Columbia)	33	8	19	9	46	100	4	Not Covered
Mithra Pharmaceuticals SA	34	20	22	21	28	100	45	Not Covered
Christian Dior SE	36	42	39	36	41	42	50	Not Covered
LVMH Moet Hennessy Louis Vuitton SE	37	48	52	41	50	45	50	Moderate
Saudi Arabian Oil Co.	40	79	74	54	100	100	47	Not Covered
OSRAM Licht AG	42	35	32	48	100	50	50	Weak
Toshiba Corp.	42	45	40	46	100	60	50	Moderate
adidas AG	44	53	48	54	100	45	50	Moderate
Banco Santander SA	45	67	100	48	40	80	41	Moderate

SYQUANT CAPITAL (Consolidated funds)

Climate Report

A. Carbon Metrics
B. Climate Scenario Alignment
C. Net Zero Analysis
D. Transition Climate Risk Analysis
E. Physical Climate Risk Analysis

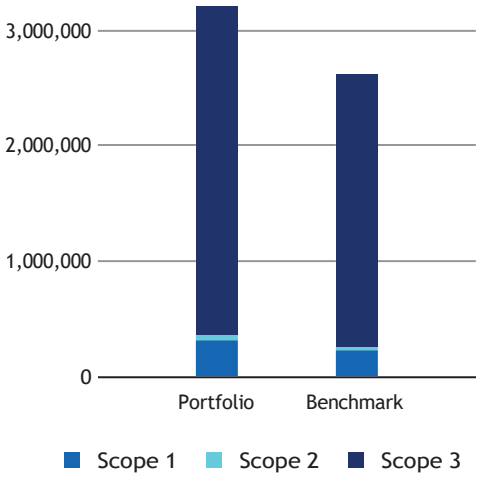
A. CARBON METRICS

Portfolio Overview[1]

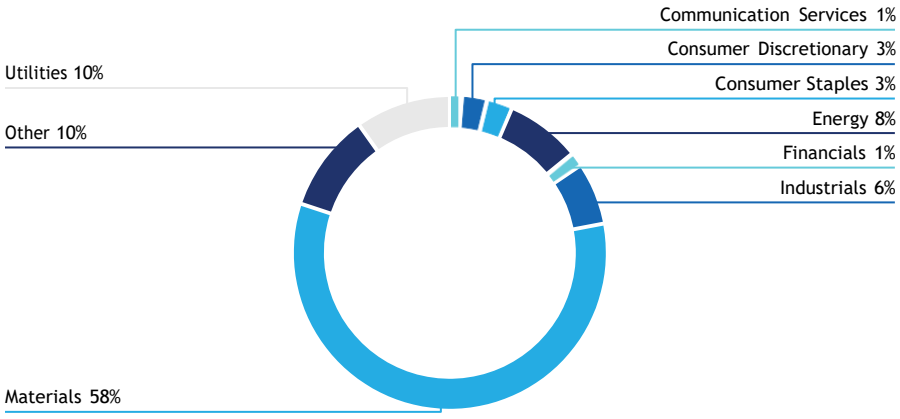
Disclosure Number/Weight		Emission Exposure tCO_2e		Relative Emission Exposure tCO_2e/Invested		tCO_2e/Revenue	Climate Performance Weighted Avg
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating[2]
Portfolio	84.7% / 87.4%	367,486	3,200,205	119.74	179.47	154.24	57
Benchmark	96.8% / 98.4%	258,063	2,613,501	84.09	191.85	153.46	60
Net Performance	-12.1 p.p. /-11 p.p.	-42.4%	-22.4%	-42.4%	6.5%	-0.5%	–

Emission Exposure Analysis

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[3]



[1]

[2] Please note that the carbon metrics presented may differ from those published elsewhere, in particular, the emissions data calculated as principal adverse impacts (PAI) according to the European Union's Sustainable Finance Disclosure Regulation. The data presented here is based on the portfolio at year-end, while PAI are an annual average based on quarterly portfolios.

[3] Note: Carbon Risk Rating data is current as of the date of report generation.

[4] Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
ArcelorMittal SA	34.61%	0.99%	Strong	Medium Performer
Ahlstrom Holding 3 Oy	9.99%	1.35%	Inconsistent	-
Yara International ASA	6.87%	0.67%	Moderate	Outperformer
BASF SE	6.17%	2.33%	Strong	Outperformer
Fortum Oyj	5.38%	0.20%	Strong	Medium Performer
Holcim Ltd.	4.55%	0.20%	Moderate	Medium Performer
Vallourec SA	3.92%	0.76%	Moderate	Outperformer
Electricite de France SA	3.36%	2.23%	Strong	Medium Performer
Air France-KLM SA	2.96%	0.40%	Strong	Medium Performer
SSAB AB	2.58%	0.16%	Strong	Outperformer
Total for Top 10	80.38%	9.29%		

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intense sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intense issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO_2e) and Relative Carbon Footprint (tCO_2e/Mio Invested) metrics.

The subsequent table identifies the most emissions-intense issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs. Benchmark

Portfolio Weight	Benchmark	Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	11.19%	3.29%	7.9%	-0.48%	-1.15%
Consumer Discretionary	15.79%	9.89%	5.9%	-0.81%	-1.39%
Consumer Staples	5.37%	12.15%	-6.78%	1.39%	-2.59%
Energy	5.87%	6.36%	-0.49%	1.77%	10.28%
Financials	18.58%	16.68%	1.91%	-0.03%	-1.72%
Health Care	5.5%	15.33%	-9.83%	0.56%	-0.48%
Industrials	12.03%	14.72%	-2.69%	0.93%	-4.9%
Information Technology	8.88%	7.04%	1.84%	-0.08%	-0.2%
Materials	5.77%	8.91%	-3.14%	17.23%	-50.16%
Other	1.75%	0%	1.75%	0%	-14.23%
Real Estate	4.99%	1.37%	3.62%	-0.15%	0.06%
Utilities	4.28%	4.26%	0.02%	-0.09%	3.83%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				**20.23%**	**-62.63%**
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				**-42%**	

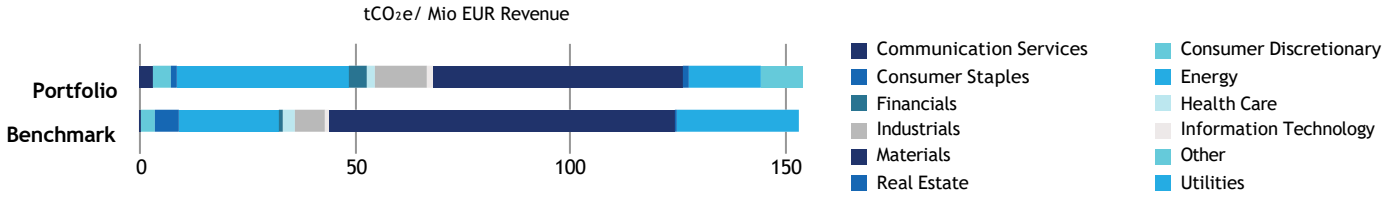
Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emissions Intensity Scope 1 & 2 (tCO_2e/Mio Mcap or AEV)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)
1. ArcelorMittal SA	Materials	4,170.3	Medium Performer	0.87%
2. HeidelbergCement AG	Materials	3,734.13	Medium Performer	-0.08%
3. Fortum Oyj	Utilities	3,208.2	Medium Performer	0.13%
4. ThyssenKrupp AG	Materials	3,096.81	Medium Performer	-0.03%
5. Holcim Ltd.	Materials	2,777.08	Medium Performer	-0.1%
6. SSAB AB	Materials	1,934.39	Outperformer	0.13%
7. D/S Norden A/S	Industrials	1,752.68	Medium Performer	0%
8. Voestalpine AG	Materials	1,714.06	Medium Performer	-0.03%
9. RWE AG	Utilities	1,653.26	Medium Performer	-0.3%
10. OCI NV	Materials	1,307.16	Medium Performer	-0.04%

Greenhouse Gas Emission Intensity

Weighted Avg Greenhouse Gas Intensity Sector Contribution



Top 10 Emission Intense Companies (tCO_2e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. Euronav NV	6,788.19	1,575.06
2. Holcim Ltd.	5,089.38	6,882.41
3. Frontline Ltd.	3,347.53	1,356.02
4. Air Products and Chemicals, Inc.	2,801.41	1,698.15
5. OCI NV	2,776.95	762.74
6. NextEra Energy, Inc.	2,393.20	4,034.45
7. Atlas Corp. (British Columbia)	2,385.06	1,575.06
8. ArcelorMittal SA	2,138.79	1,166.74
9. Air Liquide SA	1,557.89	1,698.15
10. D/S Norden A/S	1,551.37	1,575.06

B. CLIMATE SCENARIO ALIGNMENT

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

Syquant Capital's strategy in its current state is MISALIGNED with a SDS scenario by 2050. Syquant Capital has a potential temperature increase of 2.1°C, whereas the STOXX 600 has a potential temperature increase of 2.7°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)

	2022	2030	2040	2050
Portfolio	-41.53%	-26.3%	+27.53%	+156.51%
Benchmark	+1.72%	+25.06%	+98.77%	+264.77%

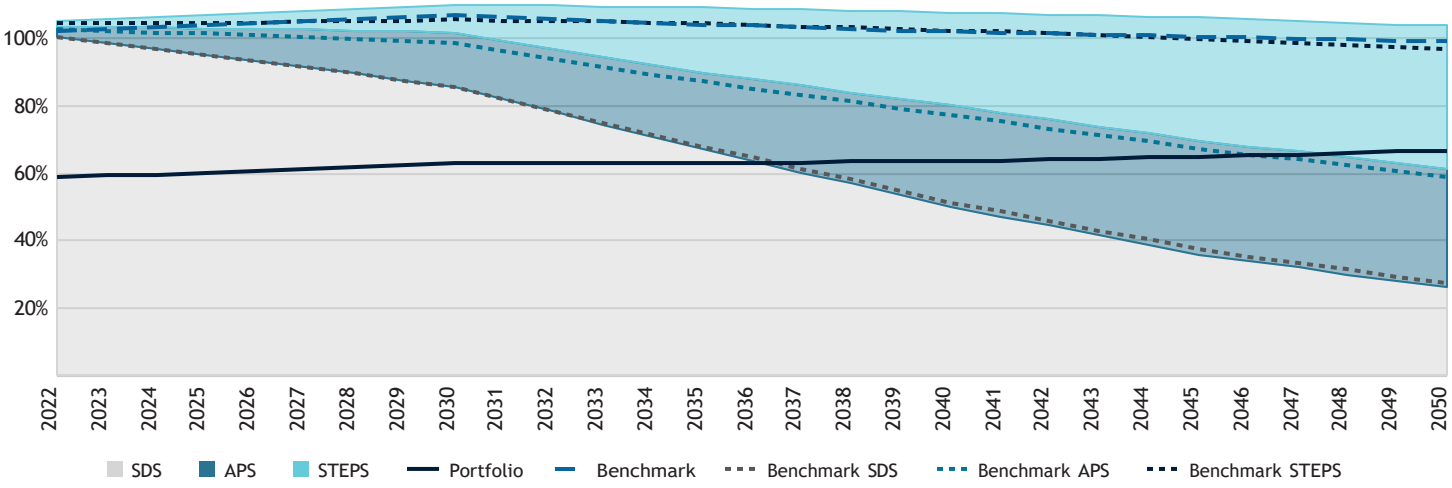
2037

The portfolio exceeds its SDS budget in 2037.

2.1°C

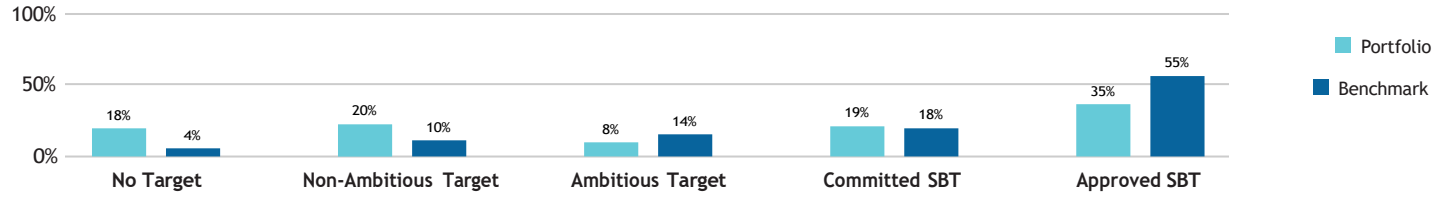
The portfolio is associated with a potential temperature increase of 2.1°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



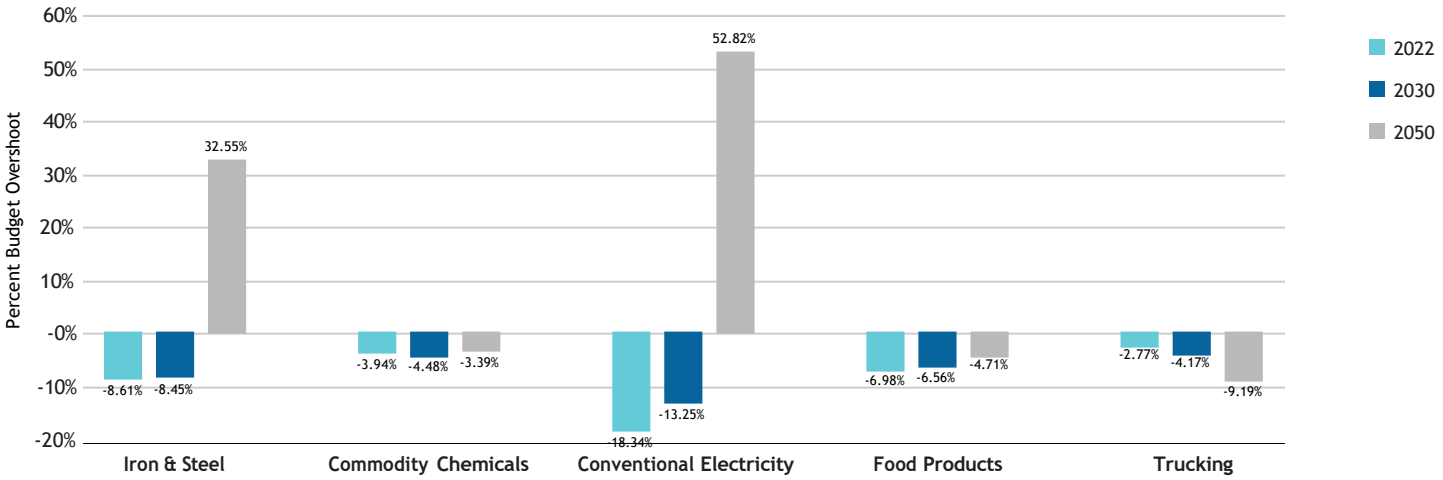
Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 62% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 18% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



The table below shows the percent of the SDS budget used in 2022, 2030, and 2050 for key sub-sectors of the portfolio.

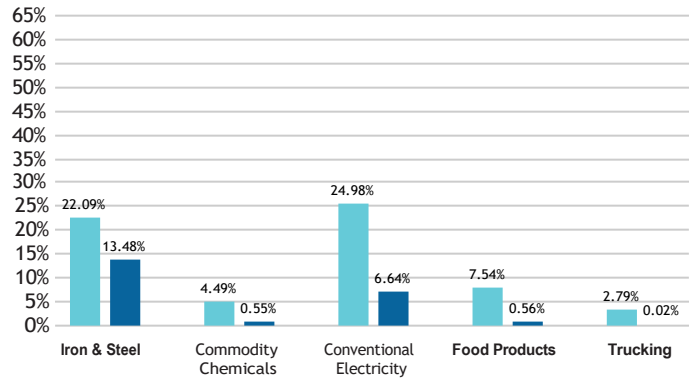
Sub-sector SDS Budget Overshoot



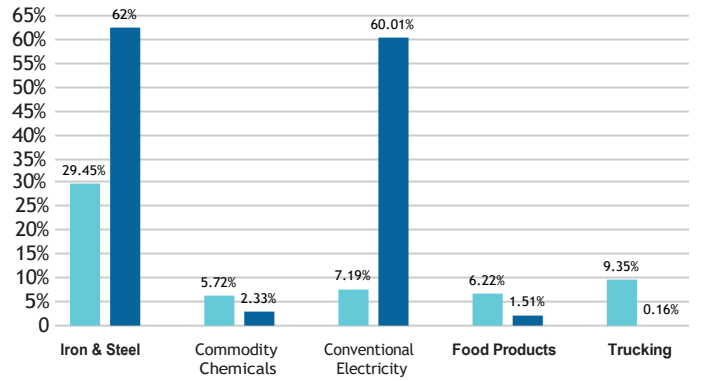
Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2022 and 2050.

Pct. of Allocated Budget vs Pct. of Total Budget Used 2022

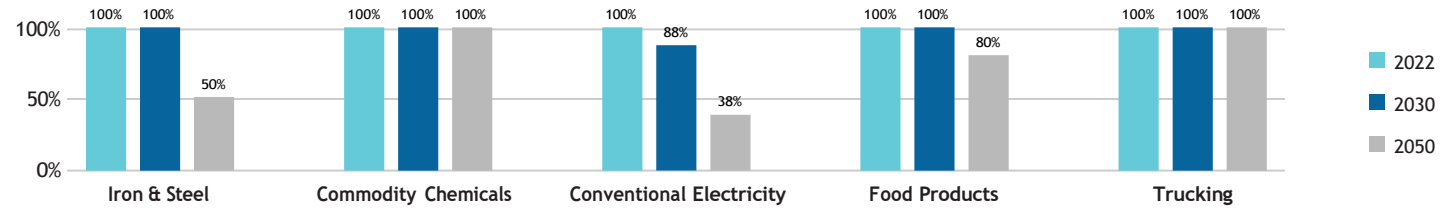


Pct. of Allocated Budget vs Pct. of Total Budget Used 2050



% Budget Allocated % Budget Used

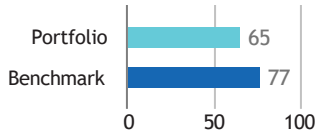
Percent of Holdings SDS Aligned in 2022, 2030, and 2050



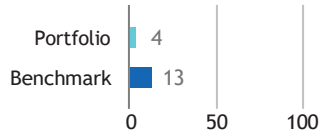
C. NET ZERO ANALYSIS

This report evaluates the portfolio's readiness to transition to a Net Zero by 2050 pathway through the of data disclosure and target-setting; emissions trajectory and Net Zero alignment; and exposure to fossil fossil fuels.

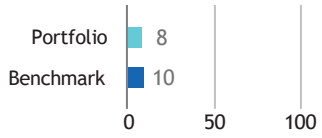
Material GHG Disclosure (%)



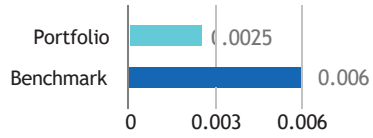
Net Zero Alignment (%)



Fossil Fuel Expansion (%)



Reserves Potential Emissions ($GtCO_2e$)



Emissions Overview

The International Energy Agency's Net Zero Emission by 2050 (NZE2050) scenario provides a framework for analyzing current and future alignment with NZ emissions objectives. Using current-year and forecasted emissions metrics for relative carbon footprint, weighted average carbon intensity, and absolute emissions, the tables below estimate the needed minimum change in emissions performance to achieve NZ trajectory alignment.

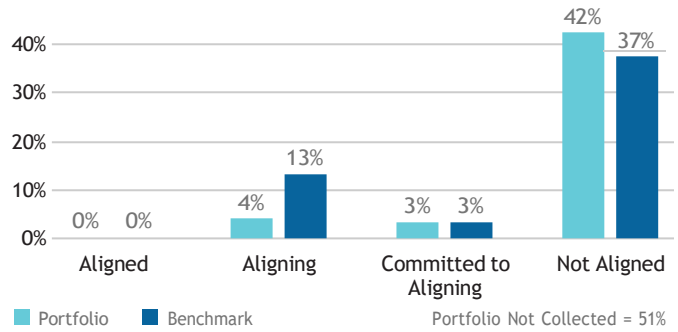
	Relative Carbon Footprint Scope 1				Relative Carbon Footprint Scope 2				Relative Carbon Footprint Scope 3			
	2022	2025	2030	2050	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	101.49	102.61	109.11	159.01	18.25	18.54	20.95	40.38	923.03	935.59	985.19	1.53 k
NZE Trajectory	-	84.51	63.29	0	-	15.2	11.38	0	-	768.6	575.57	0
Benchmark	69.63	75.45	84.56	149.51	14.46	15.03	16.42	30.7	767.51	820.06	914.6	1.65 k

	Weighted Average Carbon Intensity (Scope 1, 2 & 3)				Absolute Emissions (Scope 1, 2 & 3)			
	2022	2025	2030	2050	2022	2025	2030	2050
Portfolio	1.46 k	1.48 k	1.58 k	2.52 k	3.2 M	3.24 M	3.42 M	5.31 M
NZE Trajectory	-	1.22 k	912.22	0	-	2.66 M	2 M	0
Benchmark	1.35 k	1.41 k	1.55 k	2.75 k	2.61 M	2.79 M	3.12 M	5.6 M

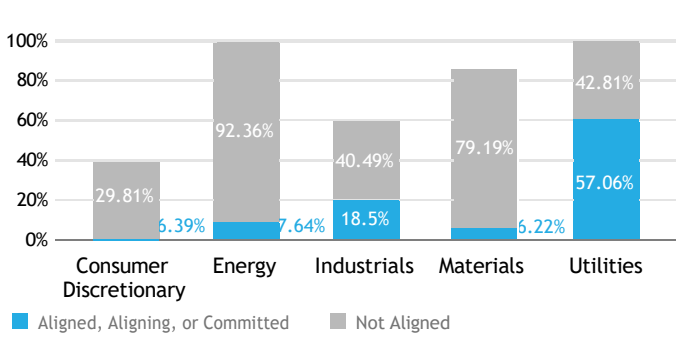
Climate Net Zero Targets

Net Zero targets provide an important indicator of climate awareness and action. Given the current state of disclosure, government policy, and technology, it is impossible to define any entity as “Aligned”. An issuer is “Committed to Aligning” if it has set a NZ target for 2050 and “Aligning” if it has a decarbonization strategy and, additionally, set an interim target. An issuer with no targets is considered “Not Aligned”.

Target Alignment Status



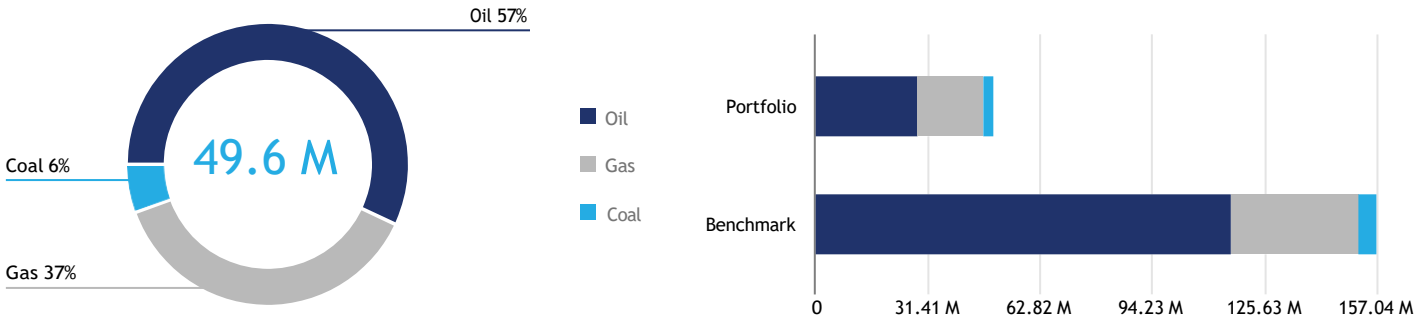
Alignment per High Impact Sector



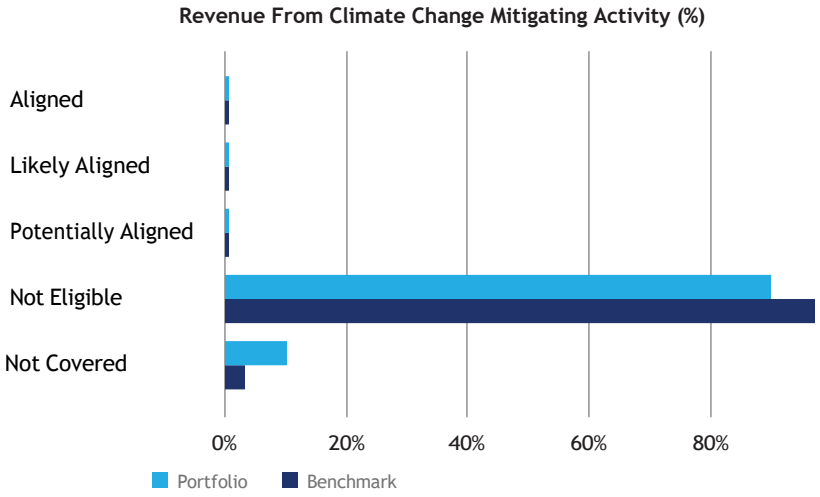
When assessing overall alignment with Net Zero it is vital to determine if the product portfolio of held companies is compatible with the objective of transitioning to a net zero system by 2050. The IEA's NZE2050 scenario states that all expansion of fossil fuel assets after 2021 is incompatible with a net zero future. The graphs below show the revenue linked to fossil fuels and those linked to climate change mitigating activities.

Revenue From Fossil Fuels

The portfolio has 49.6 M EUR revenue linked to fossil fuels, which account for 2% of total portfolio revenue. Of the revenue from fossil fuels, 57% is attributed to oil, 37% to gas, and 6% to coal. The portfolio's revenue exposure exceeds the benchmark by a net difference of -68%.



Revenue Eligible for Climate Change Mitigating Activities



The EU Taxonomy defines climate change mitigating activities as those which are directly linked to the avoidance, reduction, or removal of GHGs from the atmosphere. EU Taxonomy "Aligned" revenues are derived from directly reported data, and have passed the substantial contribution, do no significant harm and minimum social safeguards assessments. "Likely Aligned" revenues has the same criteria, however the data is derived from the ISS ESG proxy / modelled assessment. Potentially aligned revenues are again derived from the ISS ESG proxy / modelled assessment, and have only passed the substantial contribution assessment.

Revenues from economic activities outside of climate change mitigation are considered “Not Eligible”. Where there is a lack of data to make an assessment, revenues are categorized as “Not Covered”.

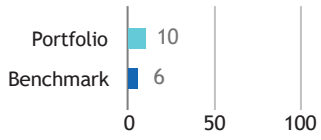
Bottom Five Issuers by Net Zero Target Alignment and Weight

Issuer Name	Portfolio Weight	GICS Sector	Mitigation Revenue	Net Zero Alignment	Fossil Fuel Expansion
Aker BP ASA	3.93%	Energy	0%	Not aligned	Yes
BNP Paribas SA	2.92%	Financials	0%	Not aligned	No
Hunter Douglas NV	2.89%	Consumer Discretionary	0%	Not aligned	No
BASF SE	2.33%	Materials	0%	Not aligned	No
JPMorgan Chase & Co.	2.33%	Financials	0%	Not aligned	No

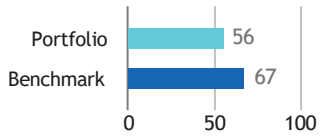
D. TRANSITION CLIMATE RISK ANALYSIS

Transition opportunities and risks, including carbon pricing, impact investees and portfolio valuations. This analysis estimates a Transition Value at Risk (TVaR) based on the IEA's Net Zero Emissions by 2050 (NZE2050) scenario.

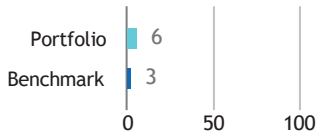
Transition Value at Risk (%)



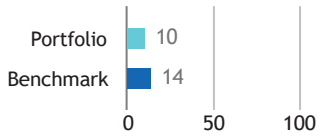
Issuers at Risk (%)



Portfolio Green Revenues (%)

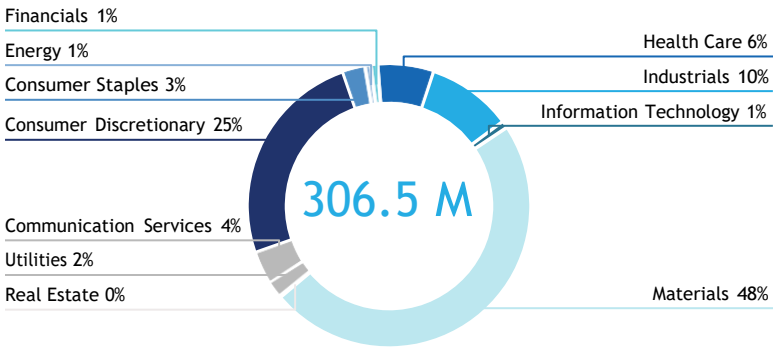


Portfolio Brown Revenues (%)



Portfolio Transition Value at Risk by Sector Based on NZE2050

Portfolio Value at Risk by Sector



The total estimated Transition Value at Risk for the portfolio is 306.5 M EUR based on the NZE2050 scenario. The chart on the left shows the sector-level contribution to the total potential financial impact of transition risks and opportunities on the portfolio. The Value at Risk presented is a net number between the positive and negative potential share price performance in the portfolio. A negative TVaR means positive share price movement.

The Transition (and Physical) VaR is an equity-based analysis, and its output should not be interpreted as the potential change in price of a bond. Nevertheless, the VaR remains a useful metric for fixed income as it is a holistic indicator of the issuer's exposure to Physical or Transition Risks, even if not directly material to the bond price itself.

Worst Five Performers by Transition Value at Risk Based on NZE2050

Issuer Name	Portfolio Weight	GICS Sector	Transition VaR (%)	Sector WAvg TVaR (%)
BASF SE	2.33%	Materials	100%	43.37%
ArcelorMittal SA	0.99%	Materials	100%	43.37%
Yara International ASA	0.67%	Materials	100%	43.37%
Fortum Oyj	0.2%	Utilities	100%	23.87%
Holcim Ltd.	0.2%	Materials	100%	43.37%

Top Five Issuers with the Highest Proportion of Green Revenues

Issuer Name	Portfolio Weight	GICS Sector	Green Revenues (%)	Sector WAvg Green Revenue (%)
Siemens Gamesa Renewable Energy SA	1.87%	Industrials	100%	5.7%
Encavis AG	0.25%	Utilities	100%	11.39%
Scatec ASA	0.01%	Utilities	100%	11.39%
ENPHASE ENERGY, INC.	0.01%	Information Technology	100%	12.12%
Canadian Solar Inc.	0%	Information Technology	100%	12.12%

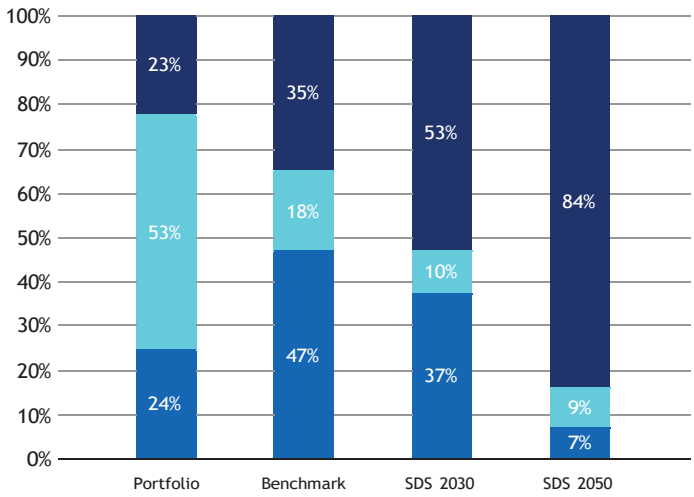
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions ($ktCO_2$)	Weighted Avg Carbon Risk Rating
Portfolio	22.57%	24.44%	10.78%	2,485.64	57
Benchmark	35.08%	46.64%	8.74%	5,950.1	60

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



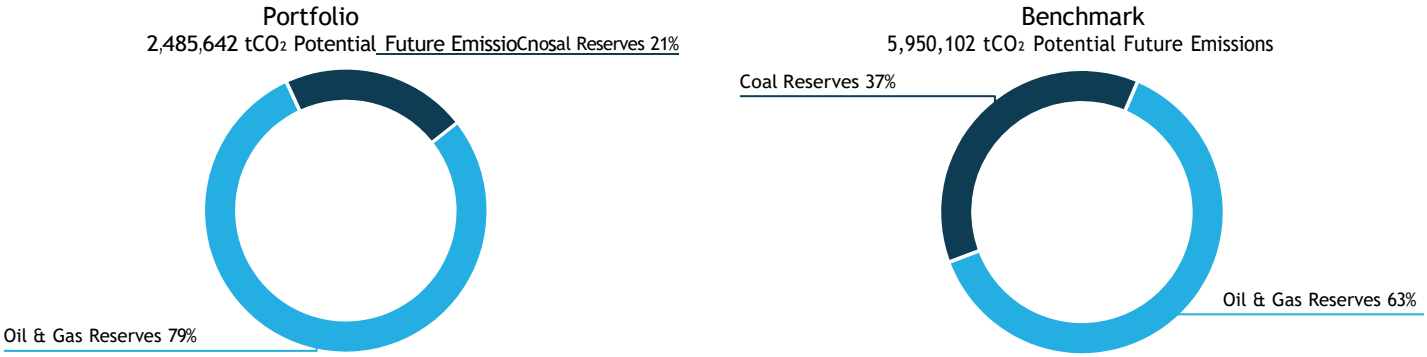
For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a Sustainable Development Scenario (SDS) compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWH of electricity.

Fossil Fuels Nuclear Renewables

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO_2e Scope 1 & 2 /GWh
Fortum Oyj	60.9%	18.3%	5.38%	371.74
Electricite de France SA	15.4%	28.2%	3.36%	52.87
Endesa SA	44.6%	39.7%	0.51%	201.8
Neoen SA	0%	85.2%	0.23%	89.68
Audax Renovables SA	0%	100%	0.11%	-

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 2,485,642 tCO_2 of potential future emissions, of which 21% stem from Coal reserves, 79% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
Aker BP ASA	47.01%	94	-
BASF SE	18.58%	54	-
ArcelorMittal SA	16.98%	-	-
Equinor ASA	7.24%	25	-
Var Energi AS	4.85%	87	-

Unconventional and controversial energy extraction such as “Fracking” and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

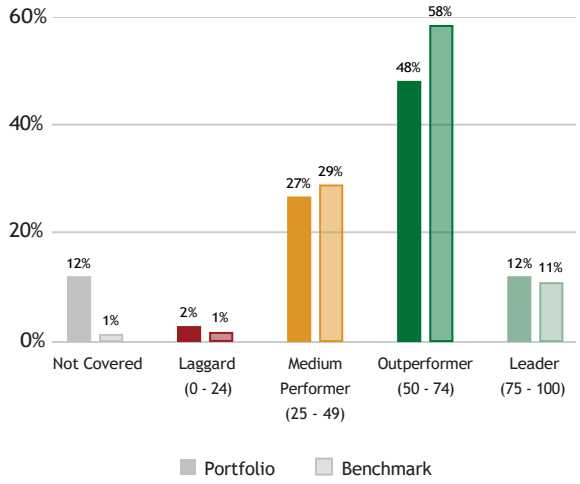
Exposure to Controversial Business Practices

Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
Aker BP ASA	3.93%	-	Production	-	-
BASF SE	2.33%	-	Production	-	Production
Vallourec SA	0.76%	-	Services	Services	Services
RPS Group plc	0.56%	-	Services	-	Services
Equinor ASA	0.45%	-	Production	-	Production

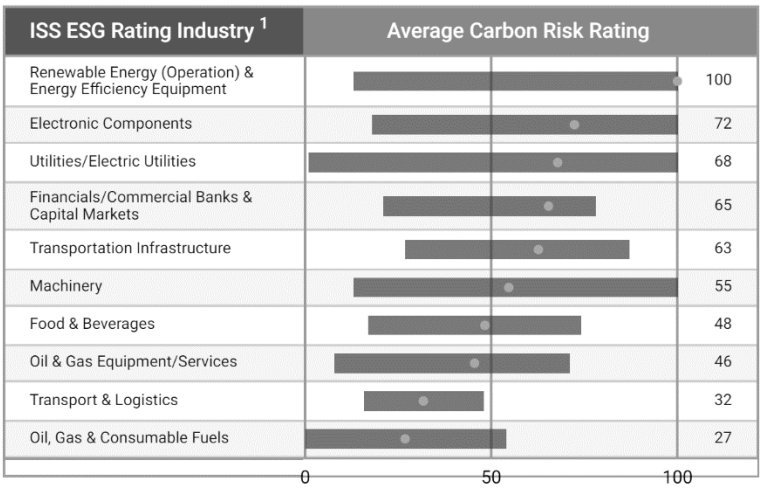
Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries



Top 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	1.87%
Voltalia	France	Renewable Electricity	100	0.73%
Neoen SA	France	Renewable Electricity	100	0.46%
Encavis AG	Germany	Renewable Electricity	100	0.25%
First Solar, Inc.	USA	Semiconductors	100	0.01%

Bottom 5 [2]	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Aker BP ASA	Norway	Oil & Gas Exploration & Production	21	3.93%
iRobot Corporation	USA	Electronic Devices & Appliances	20	0.19%
Frontline Ltd.	Bermuda	Marine Transportation	19	0.08%
Abu Dhabi National Oil Co. for Distribution P...	United Arab Emirates	Retail	15	2.27%
Saudi Arabian Oil Co.	Saudi Arabia	Integrated Oil & Gas	9	0%

Climate Laggard (0 - 24) Climate Medium Performer (25 - 49) Climate Outperformer (50 - 74) Climate Leader (75 - 100)

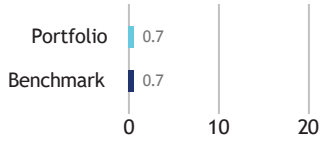
[1] The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

[2] Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

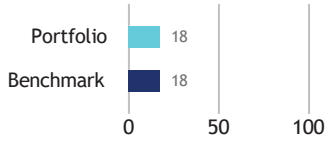
E. PHYSICAL CLIMATE RISK ANALYSIS

Even if limited to 2° Celsius, rising temperatures will change the climate system, including physical risks such as floods, droughts, or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio value.

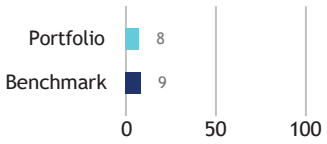
Portfolio Value at Risk (% change)



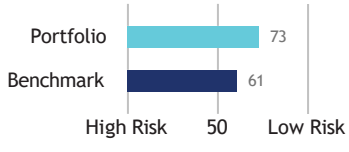
Issuers at Risk (%)



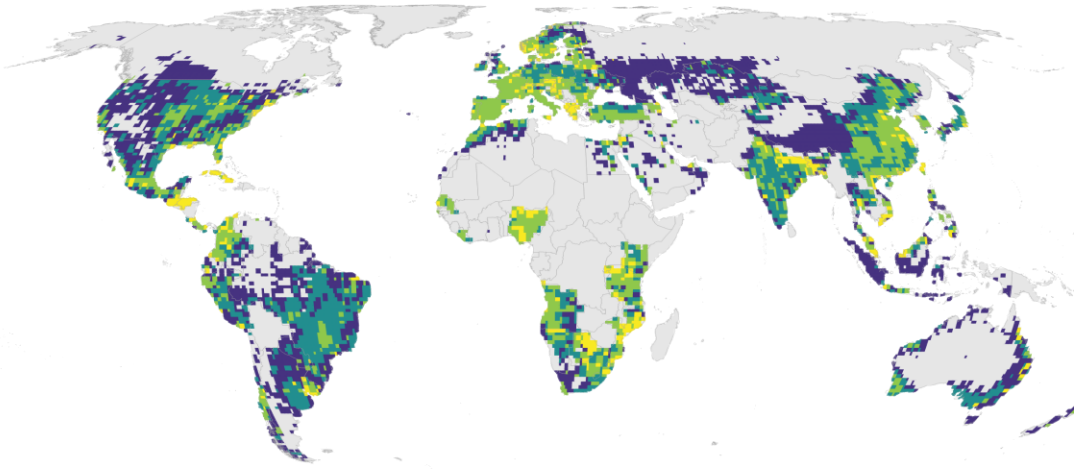
Issuers at Risk with Tenable Management Strategies (%)



Physical Risk Score



Physical Risk Exposure per Geography



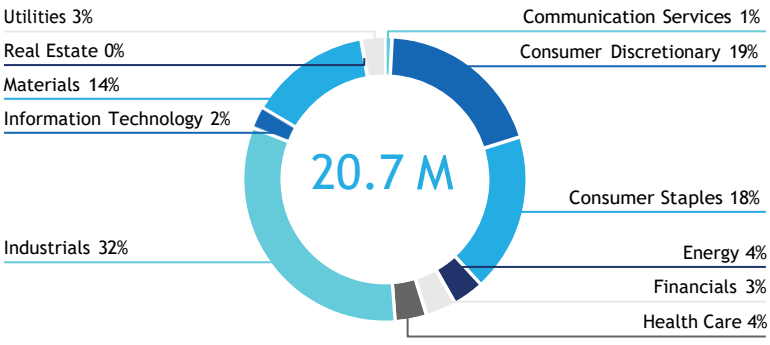
Highest
High
Moderate
Light
None

This map shows the portfolio's physical risk exposure by 2050 in a likely warming scenario.

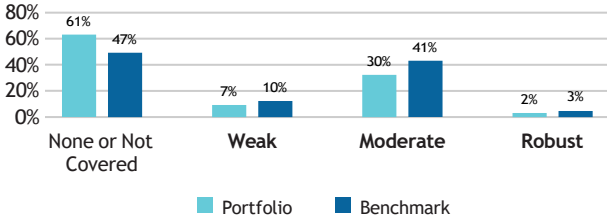
Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.

Portfolio Value at Risk by Sector

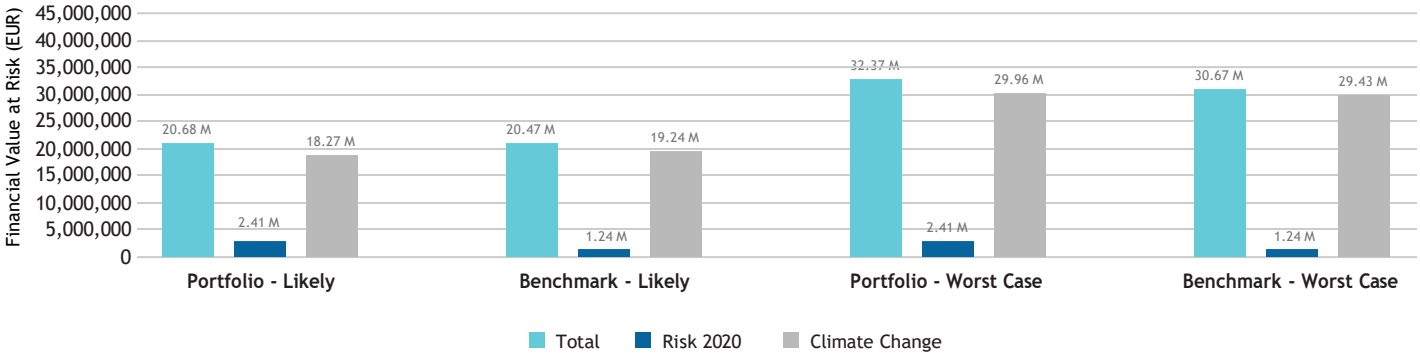


Physical Risk Management



Change in Portfolio and Benchmark Value due to Physical Risk by 2050

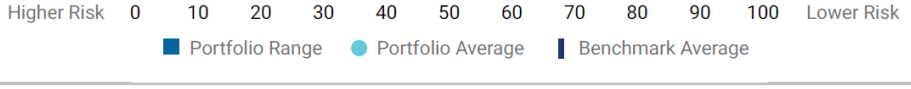
Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2022), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the likely and worst case scenarios.



Physical Risk Assessment per Sector

For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a likely scenario.

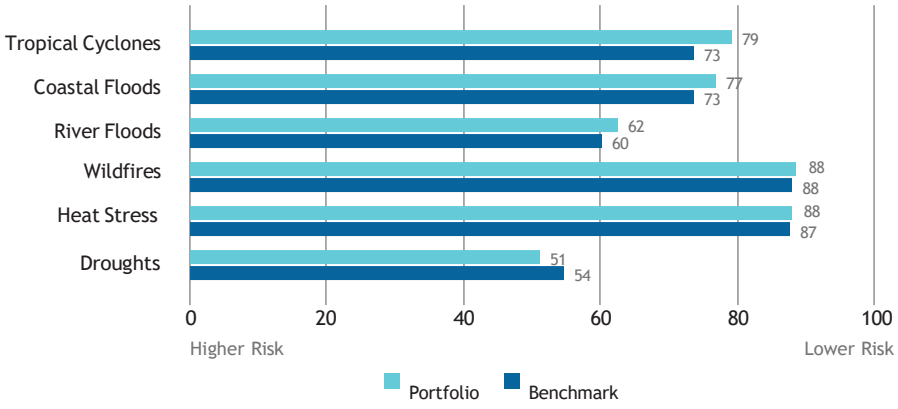
Sector	Range and Averages	Portfolio Avg Score	Benchmark Avg Score	Portfolio Value Change
Consumer Staples		58	53	0.1%
Financials		61	65	<0.1%
Materials		64	63	<0.1%
Industrials		65	65	0.2%
Health Care		69	54	<0.1%
Consumer Discretionary		72	58	0.1%
Utilities		79	71	<0.1%
Communication Services		86	81	<0.1%
Energy		88	64	<0.1%
Real Estate		92	96	<0.1%
Information Technology		96	56	<0.1%
Other		-	-	0%



Portfolio Range Portfolio Average Benchmark Average

Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies which can affect the value of the portfolio and the benchmark. The chart on the right evaluates the change in financial risk due to five of the most costly hazards for a likely scenario. A low score indicated a large increase in physical risks, while a high score reflects a minimal increase in physical risks.



Top 5 Portfolio Holdings — Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
Lagardere SA	4.3%	Communication Services	82	Not Covered
Aker BP ASA	3.93%	Energy	100	Not Covered
Worldline SA	3.2%	Information Technology	100	Moderate
BNP Paribas SA	2.92%	Financials	74	Moderate
Hunter Douglas NV	2.89%	Consumer Discretionary	88	Not Covered

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Likely Scenario)

The Physical Risk Score of each holding is impacted by the projected change in exposure to individual hazards. The table below shows the portfolio holdings that will see the most increase in risk and the potential hazards contributing to this risk in a likely scenario. A low score reflects a large projected increase in Physical Risks, while a high score reflects a minimal increase in Physical Risks.

Issuer Name	Overall Physical Risk	Tropical Cyclones	Coastal Floods	River Floods	Wildfires	Heat Stress	Droughts	Risk Mgmt Score
Instituto Hermes Pardini SA	26	100	100	41	100	55	22	Not Covered
Nordic Semiconductor ASA	29	55	50	46	100	50	37	Robust
China Datang Corp. Renewable Power Co. Ltd.	30	17	29	19	48	100	50	Not Covered
Atlas Corp. (British Columbia)	33	8	19	9	46	100	4	Not Covered
Flat Glass Group Co., Ltd.	33	28	28	24	100	100	42	Not Covered
Mithra Pharmaceuticals SA	34	20	22	21	28	100	45	Not Covered
Burberry Group plc	34	49	48	42	100	42	45	Moderate
Scatec ASA	34	43	34	37	45	40	25	Moderate
CIE Automotive SA	34	45	47	39	100	50	39	Moderate