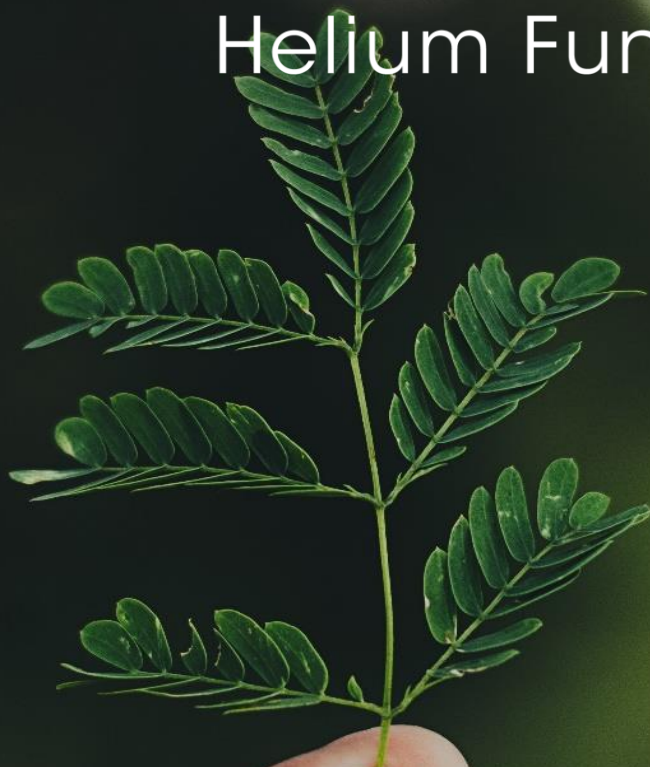


SYQUANT Capital

Helium Funds



Coal Exit Policy

July 2025

Coal Exit Policy

Syquant Capital

Contents

Introduction	2
Thermal Coal Production and Distribution	2
Thermal Coal Power Generation	3
Our Data on Coal	3
Our Restrictions	3
Engagement and Voting	3
Transparency	4

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3.0	July 2025
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Introduction

As part of its commitment to corporate responsibility, Syquant Capital has developed policies for its financial products and services regarding the energy sector, including thermal coal mining, distribution, and power generation from thermal coal.¹

Thermal coal is widely used as the principle means of generating electricity in much of the world. However, its high carbon and sulphur content make it a major contributor to greenhouse gas emissions and global warming.

Thermal coal exposure measures the proportion of a company's operations that is linked to the mining, processing, or sale of this common but increasingly environmentally objectionable fossil fuel.

As a member of the *Association Française de Gestion (AFG)*, we are inclined to follow its recommendations, published in March 2020, concerning the definition of a coal exit strategy.

We are adopting the present Coal Exit policy, which progressively reduces exposure to coal in our UCIs' portfolios, with the objective of entirely eliminating our exposure to coal by 2030.

Our coal exit policy applies to all our funds. It covers the production (mining) and distribution of thermal coal, and power generation from thermal coal. As recommended by the AFG and initiatives such as *Reclaim Finance*, Syquant's exclusion policy relies on both absolute and relative thresholds that are lowered every two years until 2030, when Syquant Capital intends to completely exclude the coal sector and energy companies dependent on coal.

Thermal Coal Production and Distribution

The relative and absolute thresholds for thermal coal production and distribution above which Syquant Capital will exclude issuers from its potential investments are set out below.

	2021	2023	2025	2027	2030
Absolute threshold (in millions of tons)	30	20	10	5	0
Relative threshold (% sales)	10%	8%	5%	3%	0%

For example, in 2027, Syquant Capital will exclude from its investment's scope, companies that:

- Produce or distributes more than 5 million tons of thermal coal annually,
- Generates more than 3% of their revenues from thermal coal.

¹ Note that while the present policy will only refer to coal henceforth, this is understood to encompass both hard coal and lignite.

Thermal Coal Power Generation

The relative and absolute thresholds for thermal coal power generation above which Syquant Capital will exclude issuers from its potential investments are set out below.

	2021	2023	2025	2027	2030
Absolute capacity threshold ² (in gigawatts)	10	8	5	3	0
Relative threshold (% sales)	40%	30%	20%	10%	0%

For example, in 2027, Syquant Capital will exclude companies that:

- Have a coal-based power generation capacity of more than 3 GW, or
- Generates more than 10% of their sales from coal-based power generation.

Our Data on Coal

Syquant Capital has subscribed to ISS ESG's Energy and Extractives data service. This data service provides detailed analyses of companies' involvement in fossil fuel production, distribution and services, as well as figures related to the generation of power from fossil fuel, nuclear and renewable sources.

Our Restrictions

Companies whose production or distribution of thermal coal or coal-generated electricity exceed the thresholds above are automatically restricted within our proprietary portfolio management system. Note that our exclusions do not apply to short exposures to underlying assets via derivatives on the principle that short positions do not reward the companies or issuers in question.

Engagement and Voting

In accordance with our Engagement policy, which is available on our website, Syquant Capital can, on a case-by-case basis, engage individually with companies in which it invests and that are involved in the coal sector or in the provision of energy generated from coal.

² To ensure that the data is available to us and as a recognized best practice, the absolute metric regarding coal-based energy production refers not to actual coal-derived energy, which is not always disclosed by energy sector companies, but to installed coal-based energy production capacity. An advantage of this approach is its greater accuracy when seeking to gauge companies' long-term efforts to abstain from using coal. Indeed, decreasing capacity tends to represent a disposal or conversion of fixed assets while fluctuations in energy output more commonly reflect no more than a transitory response to varying market conditions.

However, we believe an exposure in one or more of our portfolios is not necessary for engagement with companies to make sense. For this reason, we may engage with companies collectively, with other investors, via an ISS Engagement service to which we subscribe.

Transparency

Our Coal Exit policy will be reviewed annually, and its latest version made publicly available on Syquant Capital's website.

We also report each year in accordance with Article 29 of the French Energy and Climate Law (*Loi Énergie-Climat*) and publish a climate risk report following the Taskforce for Climate-related Financial Disclosures' recommendation. Both documents are made available on our website alongside our other sustainability-related information.