

# Actively Managed Certificate on Energy Transition & Human Capital

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“ FARAD Investment Management is proud to present its latest sustainable investment product: an **Actively Managed Certificate (AMC)** that offers exposure to selected **Sustainable Development Goals (SDGs)**. The AMC provides an active exposure to the SDGs linked to the Energy Transition and Human Capital themes.”

## Sustainable themes



Decarbonization



Circular Economy



Water



Sustainable Economic Growth



Health Care System

## SDG Clusters

### Energy Transition



### Human Capital



This **Actively Managed Certificate (AMC)** is a unique opportunity to gain a diversified exposure to Energy Transition with some diversification into Human Capital through a **diversified portfolio of equities**. The target is around 50% exposure towards **Energy Transition** and using **Human Capital** as a buffer in order to optimize diversification and risk. The objective is to invest at least 75% in stocks with more than 50% of their revenues aligned to the selected SDGs.

The product invests in **global equity** instruments, excluding US with a focus on European equities and potential diversification towards Nordics, Japanese, Chinese and Canadian stocks. It will also be diversified in terms of sectors including utilities, industrials, healthcare, consumer staples and consumer discretionary as well as real estate, information technology or materials.

The main objective of the AMC is to generate a **capital appreciation** over the medium to long term by investing only in equities of companies that integrate **environmental, social and governance** considerations in their business model.

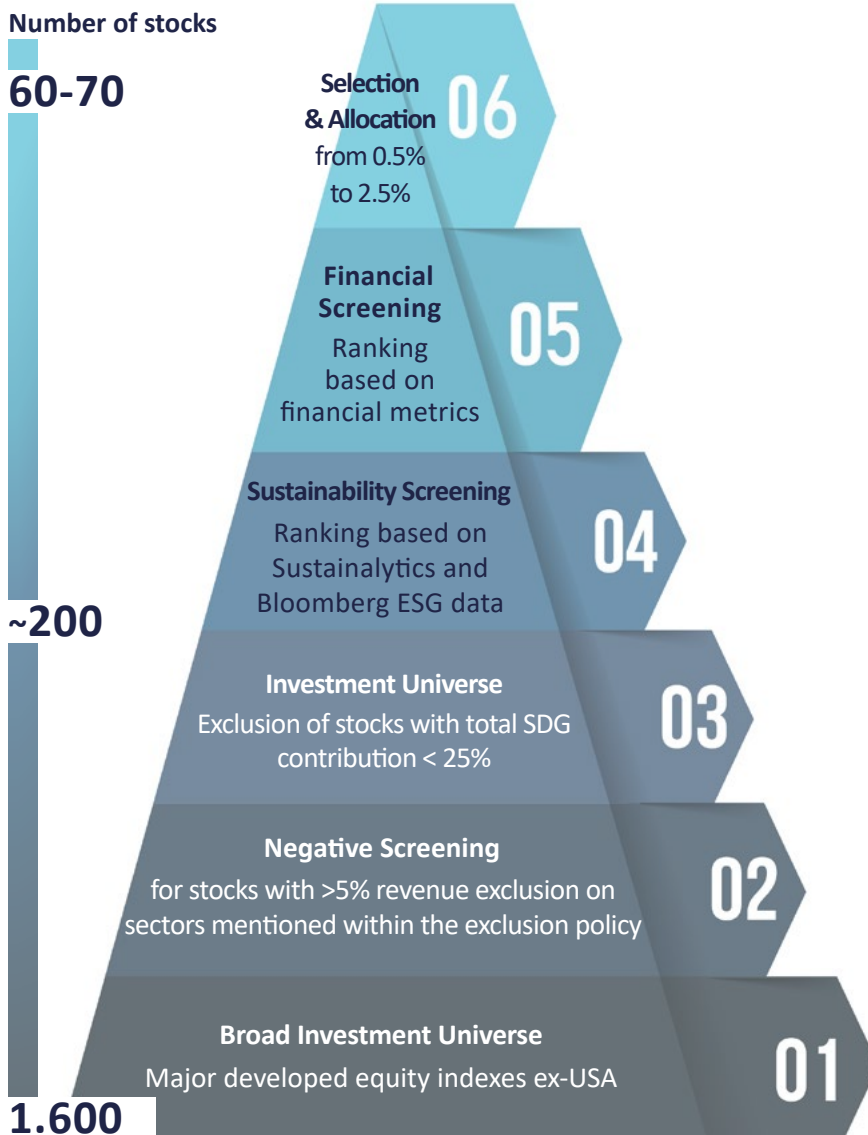
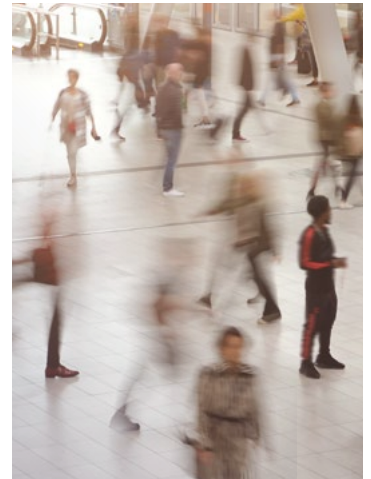
The portfolio is built by FARAD I.M. experienced Front Office Team which relies on its GreenEthica Scoring System to rank companies in terms of exposure to predefined SDGs (1, 2, 3, 6, 7, 11, 12, 13, 14, 15).

## AMC PRINCIPLES

- Direct exposure to Energy Transition and Human Capital
- Diversified equity product
- Overweight on significant SDG contributors
- Negative screening on financial and extra financial criteria

## INVESTMENT and SELECTION PROCESS

The process starts with a broad investable universe that corresponds to the major equity indexes. Any holding should have a minimum positive exposure of 25% to any SDGs. This reduces the universe below 200 stocks. From there, the team ranks companies on the back of financial analyses based on variables like valuation, earnings, momentum, leverage or profitability. The final portfolio will include around 60-70 stocks with weights between 0,5% and 2,5% based also on their SDGs alignment.



## TARGET CLIENTS

Asset Managers

Private bankers

Institutional clients

Family Office

## AMC - STRENGTHS

- Unique offering based on SDGs
- Daily liquidity product
- Focused on Energy Transition
- Diversification towards Human Capital
- Diversified geographical and sectorial exposure

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