

ABCo. Climate Index Fund ABCX



ISIN
LU1864482358

Total Assets
4,715 Mil USD

Global Category
US Equity Large Cap Blend

Sustainable Investment
Yes

EU SFDR Fund Type
Article 8

Investments in Category
3,009

Morningstar Benchmark
Morningstar Emerging Markets EU Climate Transition

Morningstar Rating
★★★★
31 May 2020 13:00, UTC 0600

Morningstar Analyst Rating
Bronze
31 May 2020 13:00, UTC 0600

Morningstar ESG Risk Rating
31 May 2023 13:00, UTC 0600

OUR CLIMATE STRATEGY

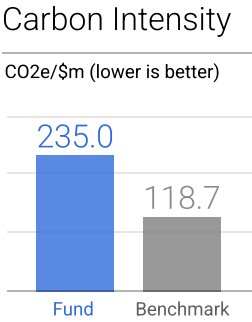
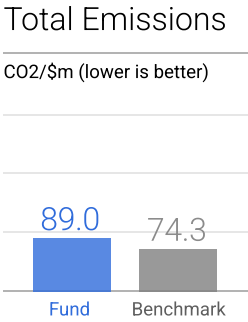
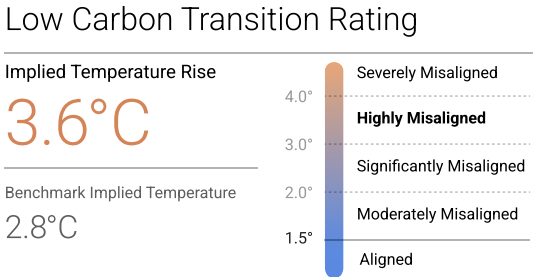
This report provides you an overview of the Climate Targets and Metrics this portfolio has achieved. This portfolio recognizes the importance of the global goal of achieving net-zero emissions by 2050 or sooner and strives to select companies that recognize the need to achieve a just and orderly transition to a net-zero economy that promotes widely shared economic prosperity.

Signatory of:

 **PRI** Principles for Responsible Investment

 **LUXFLAG** Supporting Sustainable Finance

Portfolio Climate Summary



Portfolio Contributors and Detractors

Best Holdings					
	Portfolio Weight (%)	Implied Temp Rise (°C)	Net Zero Alignment Category	Loss Ratio (%) Range	Fossil Fuel Involvement (%)
Amazon.com Inc AMZN	23.61	1.47	Aligned	None	None
Apple APPL	22.01	1.74	Moderately Misaligned	None	None
Hartford Climate Opportunities HEOIX	13.75	1.89	Moderately Misaligned	None	None
Worst Holdings					
	Portfolio Weight (%)	Implied Temp Rise (°C)	Net Zero Alignment Category	Loss Ratio (%) Range	Fossil Fuel Involvement (%)
Palantir Technologies Inc PLTR	23.61	2.56	Significantly Misaligned	None	None
Teladoc Health Inc TDOC	22.01	2.33	Significantly Misaligned	8.3–10.4	None
Hartford Climate Opportunities HEOIX	13.75	3.78	Significantly Misaligned	5.2–7.8	25.5–49.9

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Portfolio Carbon Emissions Breakdown

Scopes

Name	Expected Emissions Gap (%)	
Scope 1	186.6	<div></div>
Scope 2	197.8	<div></div>
Scope 3	675.6	<div></div>

Carbon Footprint

Name	Tonnes per USD mil	
Scope 1 + 2	18.59	<div></div>
Benchmark	45.02	<div></div>
Scope 1 + 2 + 3	156.26	<div></div>
Benchmark	403.17	<div></div>

Carbon Intensity

Name	Tonnes per USD mil	
Scope 1 + 2	97.23	<div></div>
Benchmark	106.42	<div></div>
Scope 1 + 2 + 3	469.69	<div></div>
Benchmark	806.67	<div></div>

Carbon Footprint vs. Intensity

Carbon Intensity is a weighted average of the emissions per million USD revenue of the holdings in the fund, while Carbon Footprint is the amount of total emissions attributable to the fund per million USD invested. Both metrics are derived for both Scope 1+2 and Scope 1+2+3 emissions.

Why is this important?
Carbon Intensity metrics show the efficiency of the fund's investments, whereas Carbon Footprint metrics show the emissions that a fund owns and is responsible for.

Portfolio Fossil Fuel Involvement

Area	% of fund involved	
Thermal Coal Extraction	48.3	<div></div>
Benchmark	60.1	<div></div>
Thermal Coal Power Generation	74.1	<div></div>
Benchmark	34.5	<div></div>
Oil & Gas Production	65.2	<div></div>
Benchmark	63.4	<div></div>
Oil & Gas Power Generation	12.4	<div></div>
Benchmark	2.3	<div></div>
Oil & Gas Products and Services	89.7	<div></div>
Benchmark	52.6	<div></div>
Oil Sands Exploration	40.8	<div></div>
Benchmark	22.5	<div></div>
Arctic Oil & Gas Exploration	34.6	<div></div>
Benchmark	67.3	<div></div>
Shale Energy Extraction	77.8	<div></div>
Benchmark	89.2	<div></div>
Overall	65.4	<div></div>
Benchmark	45.3	<div></div>

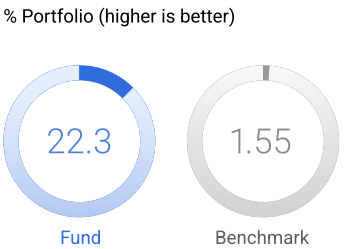
Fossil Fuel Data

Fossil Fuel Data shows the involvement of a fund in eight different fossil-fuel business areas in terms of a weighted average of revenue derived from the activities, expressed as a percentage. Additionally, overall involvement of the fund in all eight areas together is provided, also expressed as a weighted average of revenue in percent.

Why is this important?
Examining the average percentage of the fund's revenue that is derived from fossil fuel activities provides clear insight into the level of investment in some of the most highly carbon-intensive industries.

Climate-Related Impact Metrics

Climate Action Coverage



Revenue Metrics

	Portfolio	Benchmark	Difference
Average Revenue: The percentage of the portfolio's covered assets contributing to Climate Action; the weighted average of the holdings-level revenue percentage in the area	1.77%	4.54%	-2.72%
Involvement: The percentage of the portfolio's holdings with revenue greater than 0 in Climate Action. It is calculated by summing the holdings rescaled weights when revenues are greater than 0 for Climate Action	4.96%	11.94%	-6.96%

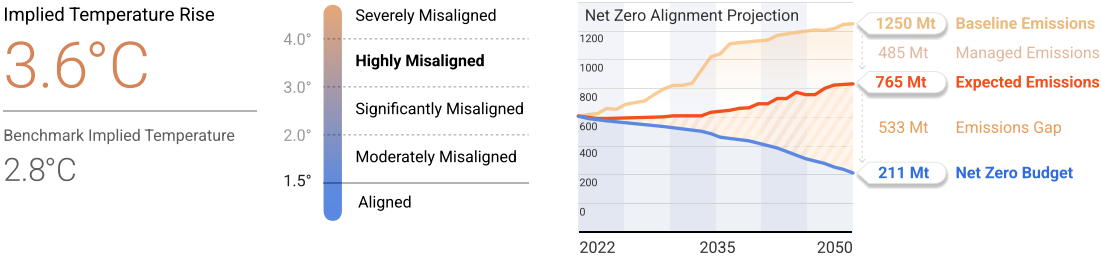
Climate Action Impact

This data outlines the fund's involvement in activities associated with the global effort to curb the Earth's temperate rise and cope with unavoidable consequences. Climate Action data assesses revenues derived from areas including renewable energy, green buildings, and green transportation.

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Portfolio Low Carbon Transition Rating

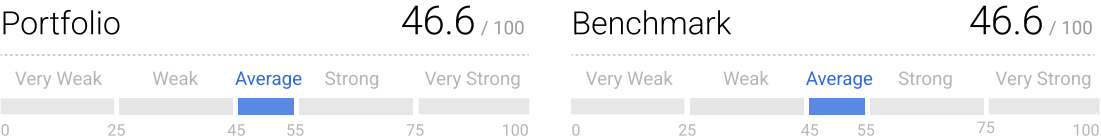
The Implied Temperature Rise respond to regulatory initiatives, implement net-zero strategies, fulfill client net-zero mandates and obtain transparency into company actions by integrating climate research into their investment decision-making processes.



Implied Temperature Rise

The Implied Temperature Rise is an aggregated indication of a fund's alignment with emissions reductions needed to meet a 1.5 degree scenario. The primary output of the rating, in degrees Celsius, answers the question: "to what degree would the world be expected to warm, if the global economy differed from its budgeted emissions to the same degree as the owned holdings in this fund?"

Portfolio Management Scores



Thematic Area Management Quality

Holding	Governance	Strategy	Risk Management	Metrics & Targets
Portfolio – Test Portfolio	23.61	23.61	2.56	+30.01
Benchmark – ABC Equity	13.75	13.75	3.78	-10.36

Management

Management scores reflect the aggregated strength of systems in place at constituent entities of the fund to mitigate exposure to emissions. Additionally, management scores are provided by Thematic Areas outlined by the TCFD.

Why is this important?

These scores provide insight into the actions being taken by fund constituents to reduce and manage emissions, and can provide a guide

Portfolio Sector Exposure

COMING SOON

Morningstar Sector	Exposure Score (°C)	Management Score (1–100)
Basic Materials	4.5 / 4.7	54.2 / 53.9
Consumer Cyclical	3.8 / 4.8	96.7 / 97.1
Financial Services	4.3 / 5.9	30.1 / 52.6
Real Estate	1.7 / 2.1	72.6 / 74.9
Consumer Defensive	2.0 / 2.4	76.8 / 74.5
Healthcare	1.3 / 1.9	48.7 / 49.1
Utilities	1.9 / 0.8	49.9 / 55.6
Communications Services	2.8 / 2.6	38.8 / 41.6
Energy	5.1 / 4.3	62.3 / 54.3
Industrials	3.0 / 1.5	17.5 / 38.7
Technology	2.3 / 2.4	78.4 / 79.1
Unclassified	2.8 / 3.2	68.9 / 67.3

Attribution

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Why is this important?

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Transition VaR



Valua at Risk (VaR)

Coming Soon...

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Physical Climate Risk Metrics

RCP 2.6

Aligned to 2°C global temperature rise by 2100

	VaR		Loss Ratio		Financial Loss	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Direct	000.00	000.00	000.00	000.00	000.00	000.00
Indirect	000.00		000.00	000.00	000.00	000.00
Total	000.00	000.00	000.00	000.00	000.00	000.00

RCP 8.5

Aligned to 4.9°C global temperature rise by 2100

	VaR		Loss Ratio		Financial Loss	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Direct	000.00	000.00	000.00	000.00	000.00	000.00
Indirect	000.00	000.00	000.00	000.00	000.00	000.00
Total	000.00	000.00	000.00	000.00	000.00	000.00





Physical Climate Risks





Loss Ratio represents the financial exposure to climate hazards and is an aggregated calculation of the ratio of the cumulative expected damage loss due to hazards to the constituents' cumulative global financial positions up to 2050. They are provided for two scenarios: RCP 2.5 and RCP 8.6.

Why is this important?

These data points, along with the Value at Risk (VaR) data point, can help with analysis of financial risk to investments from physical climate factors.

Hazard Analysis

	Cyclone Wind	Flooding	Forest Fire	Extreme Heat
				
% Contribution to Asset Damage Rsk	0.00	0.00	0.00	0.00
% Contribution to Productive Capacity Loss	0.01	0.01	0.01	0.01
Total Asset Loss Amount	0.01	0.01	0.01	0.01
Total Revenue Loss Amount	0.00	0.01	0.01	0.00
Hazard Asset Loss Amout	0.00	-0.01	-0.01	-0.01
Hazard Asset Loss Amout	0.00	0.00	0.00	0.00

	Extreme Wind	Coast Innundantion	Freeze Thaw	Soil Subsedence
				
% Contribution to Asset Damage Rsk	0.00	0.00	0.00	0.00
% Contribution to Productive Capacity Loss	0.01	0.01	0.01	0.01
Total Asset Loss Amount	0.01	0.01	0.01	0.01
Total Revenue Loss Amount	0.00	0.01	0.01	0.00
Hazard Asset Loss Amout	0.00	-0.01	-0.01	-0.01
Hazard Asset Loss Amout	0.00	0.00	0.00	0.00











Hazards

Physical Climate Hazard data estimates the aggregated vulnerability of the fund to infrastructure damage and non-damage related production disruption from different hazards.

Why is this important?

This can help identify the kind of measures needed across fund constituents to mitigate risks related to physical climate.

Geographic Analysis

	High Risk Assets	Asset Damage Risk	Productivity Capacity Loss	Local Critical Infrastructure Risk	Regional Risk
					
 Mali	0.00	0.00	0.00	0.00	0.00
 Australia	0.01	0.01	0.01	0.01	0.01
 Gambia	0.01	0.01	0.01	0.01	0.01
 France	0.00	0.01	0.01	0.01	0.01
 Japan	0.00	-0.01	-0.01	-0.01	-0.01

Goeographic Analytics

Geographic analysis provides an overview of the countries from which the highest level of physical risk is coming across the fund constituents.

Why is this important?

This information can help pinpoint the locations in which fund constituents need to implement measure to mitigate risks related to physical climate.