

We shift the narrative on climate change investments, by looking for the companies with products and services that preclude emissions from ever taking place.

Equally unique is that we use tangible and quantifiable metrics in our methodology, such as Potential Avoided Emissions, as a proxy for impact & relevance.

Ours is a holistic ESG approach. We lead with “E”, based on these tangible metrics, and additional “S” and “G” screens are based on UN Global Compact indicators.

Index Details

Index Name: iClima Distributed Renewable Energy Index

Index URL: www.solactive.com/Indices/

Inception Date: February 2021

Number of holdings: 55

Asset Class: Equities

Eligible Universe: Solactive GBS Global Markets All Cap USD Index TR (ISIN: DE000SLA78F9)

Weighting: Equal weight

Index Provider: Solactive AG

Rebalance Frequency: Every six months

Bloomberg Ticker: GLDGENER Index

ISIN: DE000SL0CA42

Currency: USD

Base Value/Base Date: 02 Aug 2017, set at 1000

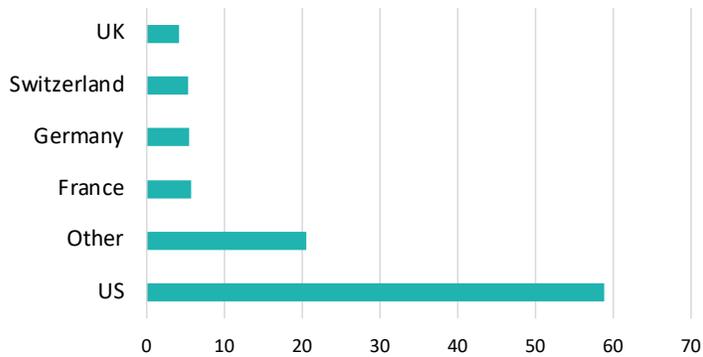
The equity index provides exposure to companies that enable the development of distributed energy resources (DER) business models. Smart energy is reshaping buildings and the grid, as increasingly price competitive renewable energy solutions like solar rooftops and stationary batteries for clean energy storage are being used “behind the meter”, in a decentralized manner. Producing electricity at the point of consumption makes economic sense, also providing security of supply and predictability of costs. In the US, the penetration of solar rooftops is at 3% — a lot of potential to grow but already a solid base of users. We believe distributed energy based on renewable sources is one of the most disruptive themes within green energy.

Why iClima Distributed Renewable Energy Index?

In February 2021, we created the **iClima Distributed Renewable Energy Index** to represent the innovative companies emerging in the space of distributed renewable energy, set to disrupt our traditional, centralized and fossil fuel based energy model. DER usual size is between 1 kW and 10 MW and is also referred to as “behind the meter” solutions. The benchmark offers access to companies developing innovative technologies which enable electricity generation and storage using renewable energy sources in local, decentralised, and modular ways. Increasing pressures on central electricity grids, changing weather patterns, and increasing demand due to the significant ramp up expected in Electric Vehicles (EVs) and home electric heating alternatives, governments and consumers are increasingly looking to ways to increase security of supply and decentralised generation models are a key solution. Most electricity consumers will become “Prosumers” in the next decades.

- 1. DER make economic sense, being embraced by consumers:** The key reason behind the increasing adoption of distributed energy and self-production is cost. A residential consumer in California pays a retail tariff of ca. \$198/MWh for electricity, while LCOSS (with investment tax credit) is at ca. \$124/MWh. Besides cost, an additional positive externality of DER is security of supply.
- 2. Convergence of digitalization, decentralization and decarbonization make the solutions powerful and therefore supported by regulators:** The requirements to reduce network costs, to increase renewable energy sources that can reduce CO_{2e} emissions, to avoid overcapacity, to reduce peak load and grid losses, and to improve the security of energy supplies are reasons why many regulators across the planet are supporting a shift from centralised energy structures towards a decentralised model.
- 3. Competitiveness of solar energy is ever expanding:** Solar panels have benefited from material reduction in cost, prices went down over 90% in the previous decades. Solar panels as well as further reductions in the cost of batteries continue to be expected during this decade, by a further 75%.

Exposure and Characteristics

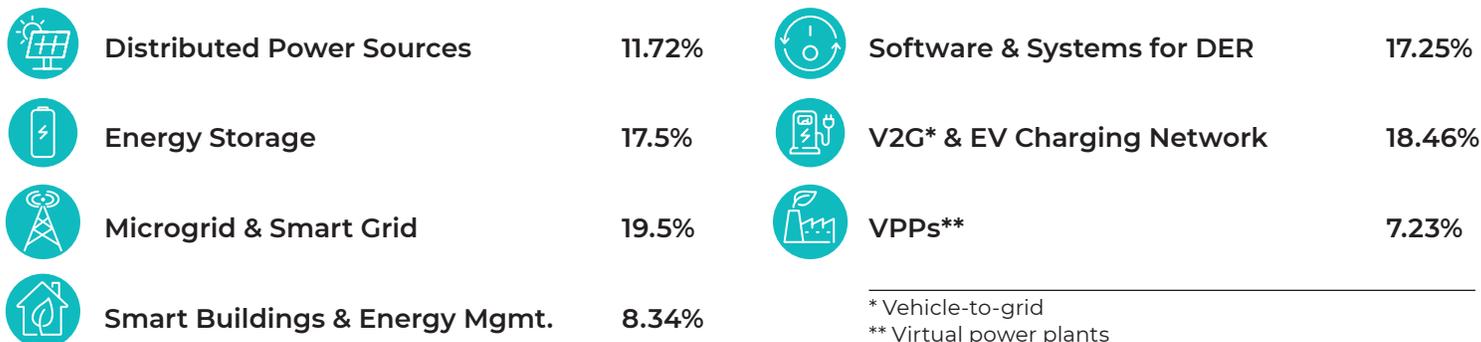


TOTAL Capitalization	\$1,773,228,368,143
Large cap	21.8%
Mid Cap	51.3%
Small Cap	26.8%

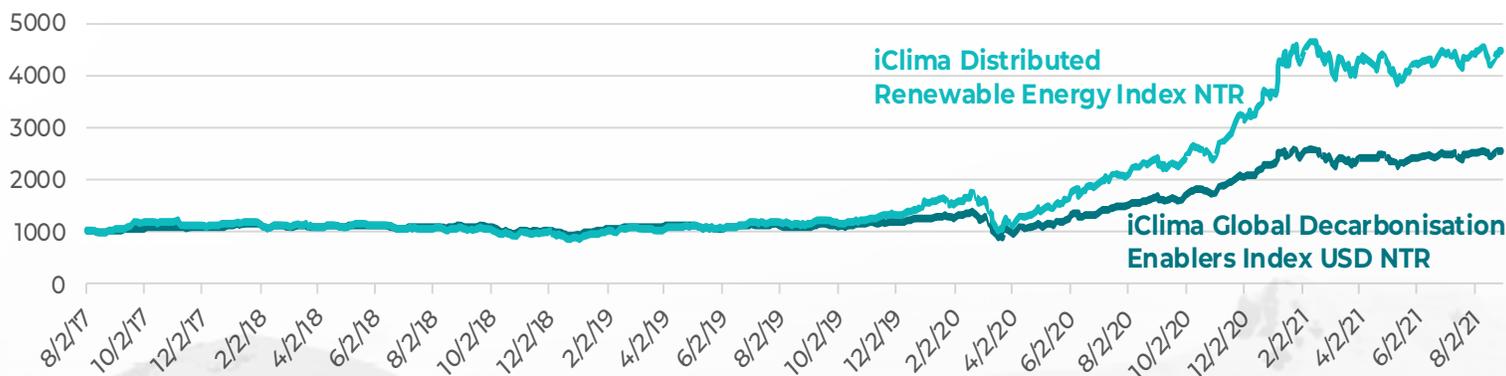
Index Top Ten Holdings

Security	Percentage (Wt'd)
QUANTA SERVICES, INC.	2.51%
VERITONE, INC.	2.35%
FUELCELL ENERGY, INC.	2.22%
VICOR CORPORATION	2.18%
NIBE INDUSTRIER AB (PUBL)	2.17%
GENERAC HOLDINGS INC.	2.11%
TESLA, INCORPORATED	2.07%
INFINEON TECHNOLOGIES AG	2.04%
ITM POWER PLC	2.03%
MYR GROUP INC.	2.03%
TOTAL	21.71%

Sector Breakdown



Index Performance 2nd Aug 2017 to 31st Aug 2021



iClima Global Decarbonisation Enablers Index USD NTR

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	15.83%	0.25%	-0.64%	0.59%	-0.75%	4.95%	-0.52%	1.54%	-	-	-	-	22.10%
2020	-4.30%	1.11%	-21.06%	19.54%	11.61%	18.45%	7.18%	17.16%	0.53%	0.15%	35.09%	13.61%	134.24%
2019	13.51%	6.02%	-5.14%	8.40%	-4.15%	10.97%	2.28%	-3.17%	2.44%	2.45%	9.39%	18.71%	77.66%
2018	1.26%	-4.15%	-1.10%	0.30%	2.03%	-6.20%	1.29%	0.65%	-3.00%	-8.36%	4.31%	-10.55%	-22.08%
2017	-	-	-	-	-	-	-	-	14.68%	1.66%	-5.14%	0.44%	

See Methodology and Distributed Renewable Energy Solutions on page 3.

Methodology

Index components are selected based on a list of products and services that enable the development of Distributed Generation business models based on renewable energy sources. Companies providing these products and services allow for a combination of Decentralisation (of energy generation), Digitalisation (of energy consumption and management), Decarbonisation (by enabling CO₂e avoidance; more information on Decarbonisation can be found at www.iclima.earth) and Disruption (away from the traditional model of larger centralized and fossil fuel-based power generation sources usually away from the electrical load). Companies are then classified into the appropriate of four categories, namely: a. Pure Player, if DER revenue is above 90%; b. Majority Player, if DER revenues are between 50% and 90%; c. Partial Player, if DER revenues are between 20% and 50%; and d. Upcoming Player, if DER revenues are below 20% but the DER revenue line is observing double digit annual growth or has been publicly reported as a key vertical for the company.

The Distributed Renewable Energy Solutions

The index well represents securities that are relevant solutions across seven different sectors, all segments directly related to the DER business model predicated on renewable energy. Sectors are Distributed Power Sources, Distributed Energy Storage, Vehicle to Grid (V2G) and Electric Vehicle (EV) Charging Networks, Virtual Power Plants (VPPs), Microgrid & Smart Grids, Smart Houses & Building Energy Management, and Software & Systems for Distributed Energy Resources.



Distributed Power Sources

Rooftop or ground mounted installation of solar PV, combined heat and power (CHP), micro CHP, microturbines, small wind power systems.



Distributed Energy Storage

Battery and fuel cells for energy storage, generation resources can include stationary batteries.



V2G and Charging Networks

EVs with V2G solutions. Charging networks. Net meters.



Virtual Power Plants

Aggregators of heterogeneous DER. Hardware or software. Key components, such as inverters.



Microgrids & Smart Grids

Multiple dispersed generation sources with ability to isolate such microgrids from larger networks. Solutions for voltage and frequency issues.



Smart Houses & Buildings, Energy Management

Smart appliances for net zero energy homes. Building heating and cooling optimization devices, smart thermostats, sensors and data collection.



Software & Systems

Blockchain as a service, demand response. Remote monitoring software. Advanced analytics. Advanced Distribution Management Systems (ADMS), Asset Performance Management (APM), and Distributed Energy Resource Management Systems (DERMS).

General Disclaimer

This document does not constitute an offer of services in jurisdictions where iClima Earth Ltd (“iClima”) does not have the necessary licenses. All information provided by iClima is impersonal and not tailored to the needs of any person, entity or group of persons. The iClima Earth Set of Indices (the “Indices”) are the property of iClima who have contracted with Solactive AG to calculate and maintain the Indices. The Indices are not sponsored by Solactive AG or its affiliates. Neither Solactive AG, nor any of their affiliates will be liable for any errors or omissions in calculating the Indices. Closing prices for the Indices are calculated by Solactive AG based on the closing price of the individual constituents of the index as set by their primary exchange. Historical performance illustrations in the Indices are based on a backcast calculation. A backcast calculation can be materially different from a backtest analysis. Past performance of an index is not a guarantee of future results.

The value of investments may go down as well as up and potential investors may not get back the amount originally invested. It is not possible to invest directly in an index. Exposure to an asset class represented by an index is available through investable instruments based on that index. iClima makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. iClima is not in a position to give advice on the suitability of any investments for potential investors. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks associated with investing in such funds, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other vehicle.

Inclusion of a security within an index is not a recommendation by iClima to buy, sell, or hold such security, nor is it considered to be investment advice. It is not intended that anything stated in this fact sheet should be construed as an offer or invitation to buy or sell any investment in any Investment Fund or other investment vehicle referred to in this website, or for potential investors to engage in any investment activity. No Investment Fund or other investment vehicle based on the Indices is sponsored, promoted, sold or supported in any other manner by iClima or Solactive AG (the “Index Parties”) nor do the Index Parties offer any express or implicit guarantee or assurance either with regard to the results of using the Indices and/or an Index trademark or an Index price at any time or in any other respect.

The Index Parties use their best efforts to ensure that the Indices are calculated correctly. The Index Parties have no obligation to point out errors in the Indices to third parties including but not limited to investors in, and/or financial intermediaries of, any Investment Funds or other investment vehicles. Neither publication of the Indices by Solactive AG nor the licensing of the Indices or an Index trademark by iClima for the purpose of use in connection with any Investment Fund or other investment vehicle based on the Indices constitutes a recommendation by the Index Parties to invest capital in any such fund or investment vehicle nor does it in any way represent an assurance or opinion of the Index Parties with regard to any investment in such fund or investment vehicle.

These materials have been prepared solely for informational purposes based upon information generally available to the public from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, model, software or other application or output there from) or any part thereof (Content) may be modified, reverse-engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of iClima. The Content shall not be used for any unlawful or unauthorized purposes. iClima and its third-party data providers and licensors (collectively “iClima Parties”) do not guarantee the accuracy, completeness, timeliness or availability of the Content. iClima Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. The content is provided on an “as is” basis. iClima Parties disclaim any and all express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use, freedom from bugs, software errors or defects, that the content’s functioning will be uninterrupted or that the content will operate with any software or hardware configuration. In no event shall iClima Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages. iClima Parties and their respective employees, affiliates and partners hereby exclude, to the extent permitted by applicable law, all liability in connection with the use of this fact sheet.