

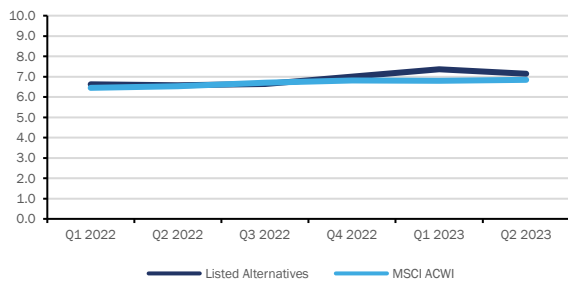
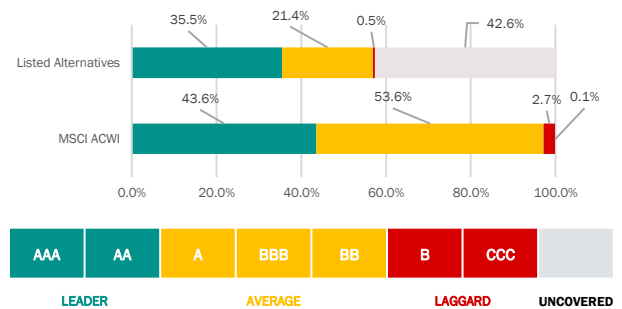
**BORDER TO COAST  
LISTED ALTERNATIVES FUND**

ESG &amp; CARBON REPORT

**Q2  
2023**
**MSCI ESG  
RATING  
AA**


12

	End of Quarter Position <sup>1</sup>			Key
	MSCI ESG Rating	Weighted ESG Score	vs. Benchmark	
Listed Alternatives	AA <sup>1</sup>	7.2 <sup>1</sup>		Fund has an equal or better <i>Weighted ESG Score</i> than the benchmark.
MSCI ACWI	A <sup>1</sup>	6.8 <sup>1</sup>		Fund has a <i>Weighted ESG Score</i> within 0.5 of the benchmark.
				Fund has a <i>Weighted ESG Score</i> more than 0.5 below the benchmark.

MSCI Weighted Score Trend<sup>1</sup>MSCI ESG Weightings Distribution<sup>1</sup>

Highest ESG Rated Issuers <sup>1</sup>				Lowest ESG Rated Issuers <sup>1</sup>			
	% Portfolio Weight	% Relative Weight	MSCI Rating		% Portfolio Weight	% Relative Weight	MSCI Rating
Iberdrola	2.7%	+2.6%	AAA <sup>1</sup>	Hercules Capital	0.6%	+0.6%	B <sup>1</sup>
3i Group	1.4%	+1.4%	AAA <sup>1</sup>	Blackstone Mortgage Trust	0.8%	+0.8%	BB <sup>1</sup>
National Grid	1.2%	+1.1%	AAA <sup>1</sup>	VNV Global	0.5%	+0.5%	BB <sup>1</sup>
Transurban	1.2%	+1.1%	AAA <sup>1</sup>	Alexandria Real Estate Equities	3.0%	+3.0%	BBB <sup>1</sup>
IP Group Plc	0.7%	+0.7%	AAA <sup>1</sup>	LXI REIT	2.9%	+2.9%	BBB <sup>1</sup>

**Quarterly ESG Commentary**

- The ESG Weighted score has remained constant since the fund launched in Q1 2022. There were a couple of minor downgrades of individual companies in the quarter, however, the fund remains above the benchmark for weighted ESG Score.
- The Fund's overall ESG rating fell during the period from AAA to AA. This is due to a change in methodology at MSCI, whereby the weighted ESG score was adjusted based on several factors including momentum of recent ratings changes and exposure to laggards. This adjustment has now been abolished; therefore, Funds with a high proportion of recent upgrades and/or low exposure to laggards no longer see an upward adjustment resulting in the rating being adjusted downward

**Alexandria Real Estate**

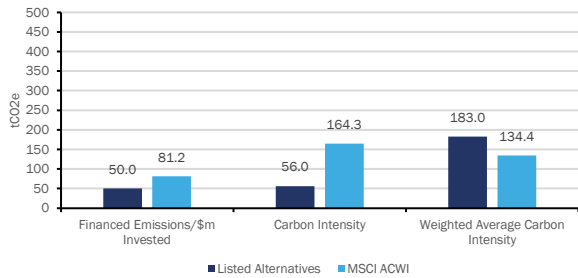
Alexandria owns the world's preeminent life sciences real estate portfolio, with over 40 million square feet of operating properties and a substantial pipeline of new developments. Properties include laboratories, science parks and specialist technical office buildings, typically let to blue chip tenants such as major pharmaceuticals companies and universities. The Company focuses on leading US life science clusters, such as San Francisco, Boston and San Diego.

MSCI awards Alexandria a BBB ESG score which is the modal rating for the Real Estate universe, but significantly below the Listed Alts Fund average of AAA. The major concerns flagged are the below-average rate of green building certifications amongst its real estate portfolio, as well as room for improvement to reach best in class corporate governance practices. Some of the directors on the Alexandria board hold other board positions elsewhere and anti-corruption and ethics training for employees would benefit from improvement.

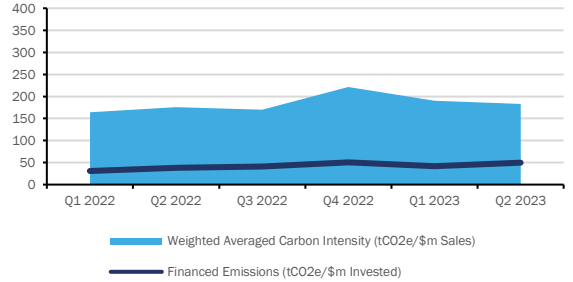
Alexandria has a more complex job to ensure green building certification for its portfolio than peers given the specialist nature of some of the laboratory facilities and science parks. However, we are confident that the Company has a robust asset management programme in place and are seeing evidence of sustainability measures in regard to district heating, water reuse and renewable energy. The other concerns highlighted by MSCI are relatively minor and not inconsistent with broader market practice.



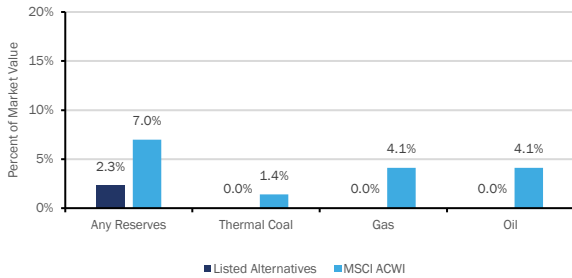
**Carbon Emissions and Intensity<sup>1</sup>**



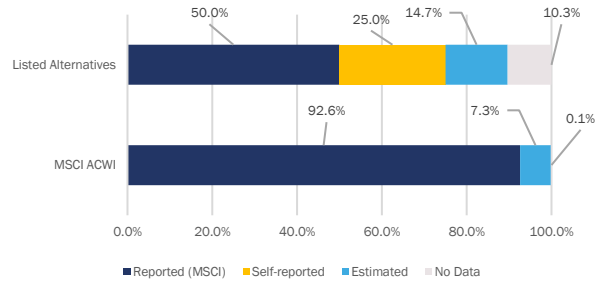
**Carbon Trends<sup>1</sup>**



**Weight of Holdings Owning Fossil Fuel Reserves<sup>1</sup>**



**Availability of Carbon Emissions Data (% of Market Value)<sup>1</sup>**



**Largest Contributors to Financed Emissions<sup>1</sup>**

Company	% Portfolio Weight	% Relative Weight	Contribution	CA100+	TPI Level
NextEra Energy	3.4%	+3.1%	27.4% <sup>1</sup>	Yes	3
Cheniere Energy	3.1%	+3.0%	22.0% <sup>1</sup>	No	2
Iberdrola	2.7%	+2.6%	12.6% <sup>1</sup>	Yes	4
Enbridge	2.0%	+1.9%	10.3% <sup>1</sup>	No	4
Eurazeo	1.3%	+1.3%	6.2% <sup>1</sup>	No	N/A

**Quarterly Carbon Commentary**

- When factoring in company reported data outside of MSCI data the Fund is currently significantly below the benchmark for carbon emissions and carbon intensity.
- WACI decreased slightly in the quarter following last quarter's increase due to the addition of Cheniere Energy.

**Iberdrola**

Iberdrola is a Spanish diversified utility, with a focus on electricity generation, transmission and distribution as well as renewable energy development. The Company has globally diversified operations with key business segments in the UK, mainland Europe, the US and Canada, South America and Australia. The Group is consistently ranked as an ESG leader given its large renewables portfolio and strong environmental leadership versus peers, with over 40GW of installed renewable energy capacity as of June 2023, earning a AAA ESG rating from MSCI.

Iberdrola's contribution to the Fund's financed emissions stems from its legacy power generation business, which continues to operate gas-fired power plants, mainly in Spain and Mexico. While the vast majority (over 70%) of the Company's electricity generation is from renewable sources, legacy power plants will continue to operate in some capacity while they are gradually decommissioned as part of the medium-term sustainability plan. Iberdrola is considered a leader amongst peers in its approach to decarbonisation, targeting Scope 1 and 2 neutrality by 2030 and Net Zero across all scopes before 2040.

While the gas plants will continue to contribute some emissions in the short-term, Iberdrola's approach is industry leading, and we are very confident that in aggregate the Company is making a positive contribution to the Net Zero transition.

<sup>1</sup>Source: MSCI ESG Research 30/06/2023

**Issuers Not Covered <sup>1</sup>**

Reason	ESG (%)	Carbon (%)
Company not covered	29.9%	0.0%
Investment Trust/ Funds	12.7%	11%

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