Annexe 2

14

BORDER TO COAST GLOBAL EQUITY ALPHA FUND

ESG & CARBON REPORT

Q4 2024

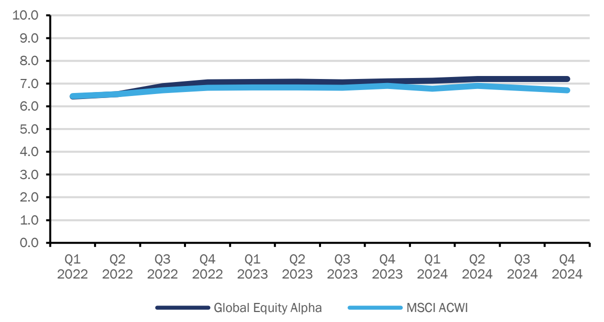
MSCI ESG RATING

AA

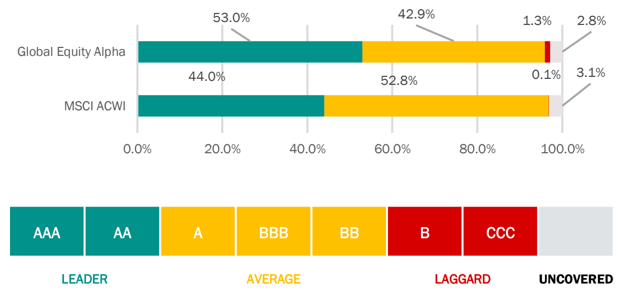
BORDER TO COAST PENSIONS PARTNERSHIP

	End of Quarter Position [1]			Key	
	MSCI ESG Rating	**Weighted ESG Score**	**vs. Benchmark**	(green)	Fund has an equal or better *Weighted ESG Score* than the benchmark.
Global Equity Alpha	AA [1]	7.2 [1]	(green)	(amber)	Fund has a *Weighted ESG Score* within 0.5 of the benchmark.
MSCI ACWI	A [1]	6.7[1]		(red)	Fund has a *Weighted ESG Score* more than 0.5 below the benchmark.

MSCI Weighted Score Trend[1]



MSCI ESG Weightings Distribution[1]



Highest ESG Rated Issuers [1]				Lowest ESG Rated Issuers [1]			
	% Portfolio Weight	**% Relative Weight**	**MSCI Rating**		**% Portfolio Weight**	**% Relative Weight**	**MSCI Rating**
ASML	1.9%	+1.6%	AAA [1]	Jiangsu Hengli Hydraulic	<0.1%	+<0.1%	CCC [1]
Intuit	1.6%	+1.4%	AAA [1]	Amber Enterprises	<0.1%	+<0.1%	CCC [1]
Taiwan Semiconductor	1.6%	+0.5%	AAA [1]	PDD Holdings	<0.1%	-0.1%	CCC [1]
Nvidia	1.5%	-2.7%	AAA [1]	Meta Platforms	0.8%	-0.9%	B [1]
Kering	1.1%	+1.1%	AAA [1]	Olaplex Holdings	0.1%	+0.1%	B [1]

Quarterly ESG Commentary

- The Fund sits above the benchmark across all ESG scores. The Fund's holds large active positions in a number of ESG Leaders resulting in the Fund's higher relative ESG rating.
- The number of CCC rated companies held by the Fund remains consistent with last quarter. The Fund exited Hyundai Motor Company, one of the Fund's previous CCC-rated companies. However, this quarter also saw the downgrade of PDD Holdings to a CCC rating due to a number of controversies. Last quarter investigation into Temu began for alleged breaches of EU consumer protection laws and allegations of selling illegal products.
- **Feature Stock: Jiangsu Hengli Hydraulic**

Jiangsu Hengli Hydraulic (Hengli) is a China-based manufacturer of professional hydraulic components and hydraulic systems. Hengli is a market leader with around 50% of market share in key hydraulic components for excavators in China.

The company has been successful in diversifying its markets and products. International sales have increased from 12% in 2020 to 35% in 2024 with Hengli becoming an important strategic partner to major construction equipment companies Caterpillar and JLG. Hengli has also expanded sales outside construction machinery into agricultural and aerial work platform machinery. These markets now account for 50% of total sales in 2024, up from less than 30% in 2020. Hengli leads competitors in research and development. Hengli has increased research and development spending from 4% of sales in 2020 to 8% in 2024. This commitment to research and development is expected to help Hengli maintain its strong competitive edge.

The company's ESG Rating of CCC is mainly due to the governance practices that lag global peers. The Wang family holds 70% of the Company, the Board is chaired by the former CEO and the Board is not majority independent of management. These factors highlight potential conflicts of interests and poor oversight of management. The company is also seen to be behind peers on oversight of business ethics, audits on ethics standards and whistleblower protection.

Despite these governance concerns, Hengli's market leading position, potential for further expansions and strong commitment to research and development is expected to see the company continue as on the best quality companies in China's mechanical industry.

[1]Source: MSCI ESG Research 31/12/2024

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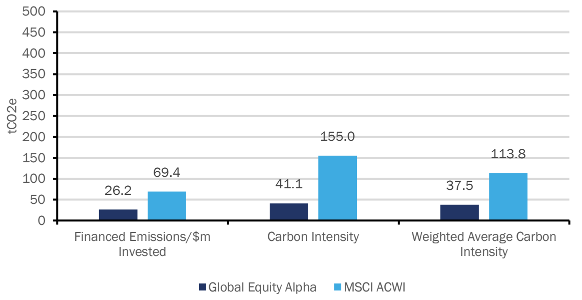
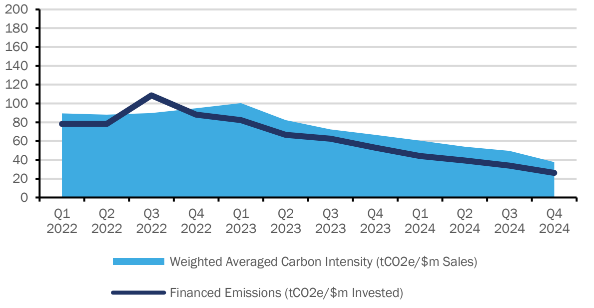
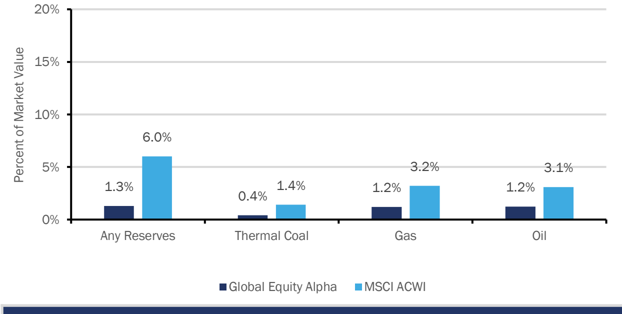
Carbon Emissions and Intensity[1]



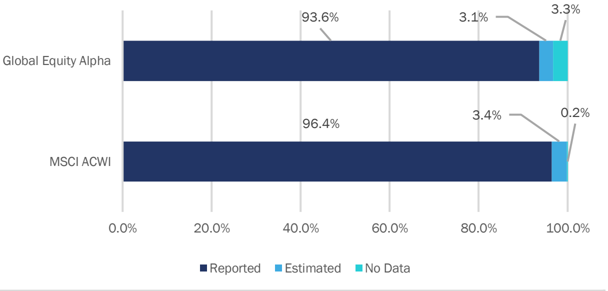
Carbon Trends[1]



Weight of Holdings Owning Fossil Fuel Reserves[1]



Availability of Carbon Emissions Data (% of Market Value)[1]



Largest Contributors to Financed Emissions[1]

	% Portfolio Weight	% Relative Weight	Contribution	CA100+	TPI Level
Phillips 66	0.5%	+0.5%	23.7% [1]	Yes	3
Jet2 plc	0.5%	+0.5%	9.7% [1]	No	N/A
Glencore	0.4%	+0.3%	8.5% [1]	Yes	4
Linde	0.9%	+0.6%	5.7% [1]	No	4
Bayer	0.8%	+0.7%	5.2% [1]	Yes	4

Quarterly Carbon Commentary

- The Fund saw a 22% reduction in its financed emissions, 31% reduction in carbon intensity and 25% reduction in weighted average carbon intensity.
- This quarter saw the Fund exit Heidelberg Materials. At Q3 2024, Heidelberg accounted for 33% of the Fund's financed emissions. The exit from this carbon intensive position without the addition of new positions in similarly intensive companies resulted in the significant drop across all emissions metrics.

Feature Stock: Jet2

Jet2 plc UK based travel company providing package holidays and low cost flights across Europe. Jet2.com is the UK's third largest airline and Jet2 Holidays is the UK's largest tour operator. Jet2 has evolved into a more traditional listed PLC with a second generation of highly competent management who have continued the founder's focus on customer-first principles, high quality service, but low-cost offering. A key part of the company's culture is their counter cyclical behaviour and conservative approach to leverage. This allowed the company to place a large plane order during the pandemic, the benefits of which are expected to continue to flow to shareholders over the next decade.

Jet2's carbon intensity reduction plan is for a 35% reduction by 2035 vs a 2019 baseline and has been submitted for SBTi validation. The company is targeting net zero by 2050 and unlike other airlines do not assume a step change in technology in their forecasts. Jet2's emissions intensity has been enhanced by the plane order placed during the pandemic, lightweighting initiatives and the opening of a new Retail Operations Centre. The centre allows Jet2 to more efficiently stock passenger carts and avoid running short of desired products or carrying unnecessary excess weight in unwanted products.

Jet2 have been proactive in securing sustainable aviation fuels procuring a long term SAF supply agreement running from 2028. The company are actively lobbying government to improve the certainty mechanisms for SAF producers and have lobbied the UK government for airspace reform which they believe could lead to 10% emission reductions in UK aerospace.

[1]Source: MSCI ESG Research 31/12/2024

Issuers Not Covered [1]		
Reason	ESG (%)[1]	Carbon (%)[1]
Company not covered	1.0%	0.7%
Investment Trust/ Funds	1.8%	2.6%

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[1]Source: MSCI ESG Research 31/12/2024