

## Marketing Communication

Please refer to the confidential offering memorandum (the "Memorandum") of the RAIF before making any final investment decisions

### Investment Objective

Vertis Global Carbon Fund is an Investment Fund focused on the compliance carbon markets worldwide. The strategy of the Fund is to early capture carbon price appreciation in these new markets, while monitoring adoption pace, and risks, like political ones. Vertis Global Carbon Fund pursues an absolute return strategy and combines long based positioning with alpha strategies to mitigate inherent market volatility.

### Monthly Comment

Macroeconomic headlines were dominated by U.S. tariff announcements. Together with U.S. inflation coming in above expectations, this drove a rally in the U.S. dollar. Eurozone GDP data surprised to the upside. Trump urged Russia to finalize a peace agreement with Ukraine by early August.

EU Allowance (EUA) prices remained primarily driven by energy fundamentals. Global gas prices rose on stronger Asian LNG demand, while persistently low wind speeds continued to support lignite in the merit order, keeping European day-ahead power prices elevated.

The UK Allowance (UKA)-EUA spread narrowed slightly amid further optimism on potential ETS linkage, as the European Commission authorized the Council to initiate negotiations with the UK. However, the communication offered limited detail.

In the U.S., no further developments followed the Executive Order "Protecting American Energy from State Overreach", and political momentum appears to have shifted elsewhere. Separately, the EPA proposed to repeal its greenhouse gas endangerment finding. The move underscores the administration's deregulatory stance but likely does not pose any direct impact on state-level carbon programs.

On the East Coast, RGGI prices initially extended their gains, supported by seasonal demand, but later softened on cooler weather forecasts.

In California, Carbon Allowances continued to trade near the auction floor. Legislative action seems to prioritize extending the program rather than tightening its targets, raising concerns of extended annual surpluses. In contrast, the Low Carbon Fuel Standard (LCFS) market staged a sharp rally. This was possibly driven by follow-up momentum from the approved program amendments and the rejection of a bill proposing a price ceiling on LCFS credits. Washington's Cap-and-Invest prices remained strong, hovering above \$60—the APCR price trigger level necessary to release reserve volume to the market.

In New Zealand, the quarterly update on Unit holdings showed a drop of 24 million to 133 million NZUs, reinforcing the tightening narrative. However, the year-on-year decline was a more modest 11 million, tempering the headline impact. Uncertainty continues around net forestry supply. Attention is now focused on the government's response to the Climate Change Commission's proposal, including a redistribution of 14 million units over 2028–2030.

Australian Carbon Credit Units (ACCUs) rebounded from recent lows but remained range-bound. Fundamentals seem unchanged: entities covered by the Safeguard Mechanism appear adequately hedged.

The portfolio ended July down 1.0%. We maintain our positioning in U.S. markets and believe political risks might persist. In Europe and the UK, we continue to believe gas markets remain key short-term drivers, before potential larger deficits start to emerge.

### Vertis Global Carbon Fund Performance (PHANTOM)\*

RETURN	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2022												1,7%	1,7%
2023	-0,8%	0,3%	1,1%	0,5%	2,1%	0,1%	6,2%	4,8%	-0,2%	-0,1%	-0,2%	2,4%	17,1%
2024	-4,1%	0,7%	3,0%	0,0%	4,2%	1,7%	-3,3%	1,9%	-4,0%	-0,6%	1,9%	-1,7%	-0,8%
2025	0,8%	0,9%	-2,6%	-6,5%	2,4%	-2,7%	-1,0%						-8,7%
VAR (daily, 99%, & 97.5% pre-2025)													7,9%
2022												0.5%E	
2023	0.6%E	0.6%E	0.8%E	0.8%E	0.8%E	0.8%E	0.8%E	1.0%E	0.7%E	0,0%	0.9%E	1.0%E	
2024	1.0%E	1.2%E	1.2%E	1.1%E	1.1%E	1.0%E	1.0%E	1.0%E	1.2%E	1.2%E	1.3%E	1.2%E	
2025	1.4%E	1.3%E	0.7%E	1.6%E	1.6%E	1.4%E	1.9%E						

\* The Fund's performance is subject to risks and there is no guarantee that there will be any return of capital. Risks include: Risks related to the carbon market; General economic and market conditions; Political and Regulatory Risks; and Market Concentration. A complete description of risk factors is set out in the Prospectus in the section entitled 'Risk Factors Annex'. This chart is for illustrative purposes only. This historical track record is for illustration purposes only, does not include any cost and is not related to Vertis Global Carbon Fund but to another product. E: estimate. Cumulative values are based on compound returns.

Actual Phantom

Performance by strategies (past 12 months)	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25
<b>Core long</b>	2,0%	-3,2%	1,4%	2,7%	-1,1%	1,2%	-0,4%	-2,0%	-4,1%	2,3%	0,7%	-0,3%
<b>Non-directional alpha</b>	0,0%	0,1%	-0,8%	0,0%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Directional alpha and other items</b>	-0,1%	-0,9%	-1,1%	-0,8%	-0,9%	-0,4%	1,3%	-0,6%	-2,4%	0,0%	-3,5%	-0,7%

This historical track record is for illustration purposes only and does not include any cost.

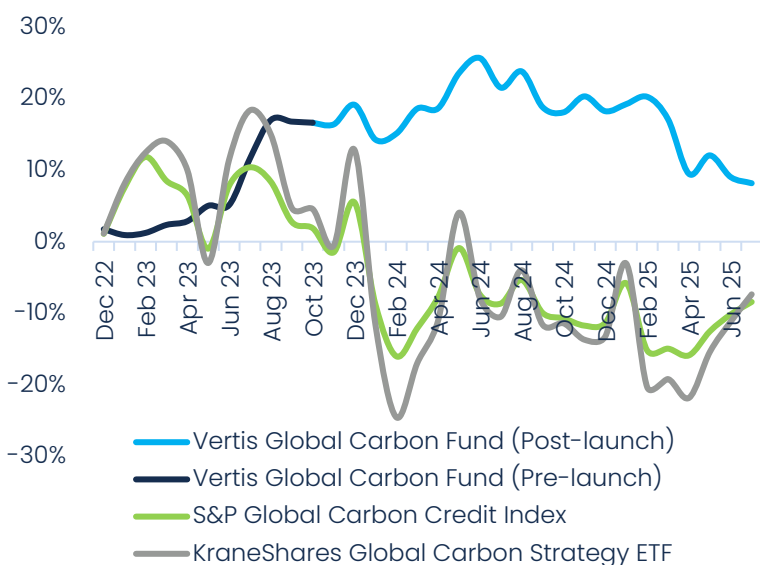
## Monthly Price Update

	IN LOCAL CURRENCY			FX RATE		IN USD		
	June	July	Change (%)	June	July	June	July	Change
<b>EUA</b>	68,2	72,0	5,5%	1,179	1,142	<b>80,4</b>	<b>82,2</b>	<b>2,3%</b>
<b>UKA</b>	45,2	50,1	11,0%	1,374	1,321	<b>62,0</b>	<b>66,2</b>	<b>6,8%</b>
<b>RGA</b>	22,4	22,7	1,2%	1,000	1,000	<b>22,4</b>	<b>22,7</b>	<b>1,2%</b>
<b>CCA</b>	27,7	27,8	0,3%	1,000	1,000	<b>27,7</b>	<b>27,8</b>	<b>0,3%</b>
<b>WCA</b>	60,6	61,7	1,8%	1,000	1,000	<b>60,6</b>	<b>61,7</b>	<b>1,8%</b>
<b>CA LCFS</b>	49,0	59,0	20,4%	1,000	1,000	<b>49,0</b>	<b>59,0</b>	<b>20,4%</b>
<b>CEA</b>	75,0	72,5	-3,4%	0,140	0,139	<b>10,5</b>	<b>10,1</b>	<b>-3,8%</b>
<b>NZU</b>	58,0	57,7	-0,6%	0,610	0,590	<b>35,4</b>	<b>34,0</b>	<b>-3,8%</b>
<b>ACCU</b>	35,2	35,5	1,0%	0,658	0,643	<b>23,1</b>	<b>22,8</b>	<b>-1,4%</b>
<b>KAU</b>	8 820	8 380	-5,0%	0,00074	0,00072	<b>6,5</b>	<b>6,0</b>	<b>-7,7%</b>

\* closing prices, price/unit

\*\* Definitions and sources can be found in the last page of this document. The first box ("In local currency") represents monthly closing prices of allowances in local currency, the second box (FX rate) represents foreign exchange rates between the currency in which the specific allowances are denominated against the US dollar, currency rates are monthly closing values, third box ("In USD") represents allowances monthly closing prices in US dollar. Percentage changes represent closing prices' differences of current and previous month.

## Performance Comparisons\*\*\*



## Cross Correlation\*\*\*\*

Cross-correlation	EUA	MSCI	Bloomberg Commodity Index	FTSE World Government Bond Index
<b>EUA</b>	-	28%	23%	-25%
<b>MSCI</b>	28%	-	-9%	-21%
<b>Bloomberg Commodity Index</b>	23%	-9%	-	-10%
<b>FTSE World Government Bond Index</b>	-25%	-21%	-10%	-

\*\*\* The lines demonstrate allowances monthly price developments, based on monthly closing values in USD. \*\*\*\* The table demonstrates correlations between different products, calculation is based on daily closing prices of the month.

**Management & Investment Team**
**Gauthier Bily**

Managing Partner at Vertis. 15 years experience in carbon trading.

**David Czupryna, CFA**

CEO STX Asset Management. 20 years financial market experience, both on the sell side and buy side, with roles in international business development and more recently managing €650 million in global equity strategies.

**Gergely Szabo**

Principle Investment Advisor. 15 years experience in carbon and energy trading.

**Henrik Eulau**

Analyst. Experience in research and analysis.

**Stefan Feuchtinger**

Head of Research & Analysis at Vertis. 10 years experience in carbon market analysis.

**Key Terms & Conditions**

<b>Key objective</b>	Early capture carbon price appreciation in compliance carbon markets
<b>Strategy</b>	Build well-balanced core long position in ETS related products while managing volatility and optimizing portfolio with prudent alpha strategies
<b>Fund Target</b>	750 m\$
<b>Structure</b>	Luxembourg RAIF
<b>Liquidity</b>	Open ended fund, Monthly NAV
<b>Fees</b>	1% management fee, 10% performance fee
<b>ISIN Code</b>	LU2639006340 (USD) LU2719295284 (EUR)
<b>AIFM</b>	Funds Avenue S.A.
<b>Depository Bank</b>	Quintet Private Bank (Europe) S.A.
<b>Fund Administrator</b>	Trustmoore
<b>Auditors</b>	PWC Luxembourg

\*The light shading indicates the fund's performance without costs. VAR graph relates to the Value at Risk of the Fund, which means Value at Risk of the Fund and the daily, 97.5 value means that based on the historical (252 days) volatility of the products that comprise the portfolio, with a likelihood of 97.5%, the Net Asset Value of the Fund will not change more than 2.2% in a single day. It does not constitute past performance or simulated past performance of the Fund. \*\*\*Cross-correlation graph relates to the performance of the EUA in comparison to different indices. It does not constitute past performance or simulated past performance of the Fund and is no reliable indicator of future performance. This is for information and comparative purposes only. The Fund is actively managed, which means that the investments are selected at the discretion of the investment manager. The performance of the Fund is not measured against any benchmark or index. Funds Avenue S.A. may decide to terminate the arrangements made for the marketing of the Fund in all or a particular country.

\*\* Closing prices in their respective currency are from ICE and Reuters, OTC prices provided by brokers. Glossary of key terms in alphabetical order. Allowances means either an EUA (European Emission Allowance), UKA (United Kingdom Emission Allowance), RGA, WCA, CEA, NZU (New Zealand Unit), ACCU, KAU. ACCU means Australian Carbon Credit Unit. CEA means Chinese Emissions Allowance. Core Long means an investment strategy involving the acquisition of an asset or investment with the expectation that their value will rise over time. Directional alpha means a trading strategy that do result in a directional position (other than core long) in any Carbon Compliance Market, for further details on strategies definitions please see the Offering Memorandum. EUA means European Union Allowance. ETS means the Emissions Trading System. FX rate mean Foreign Exchange rate. Investment strategies means either a Core Long; a Non-directional alpha; or a Directional alpha. KAU means Korean Allowance Unit. Non-directional alpha means an trading strategy involving two or more opposite positions (long vs. short) in the same underlying Carbon Compliance Market which directionally offset each other. NZU means New Zealand Units. Phantom portfolio means a simulated portfolio that was built on actual, recorded decisions and actual market prices, however trades were not actually executed, thus only simulated for demonstration purposes. RGA means Regional Greenhouse Gas Initiative Allowance. UKA means United Kingdom Allowance. WCA means Washington Carbon Allowance.

This fund discloses under Article 6 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR). Accordingly, the fund does not promote environmental or social characteristics, nor does it have a sustainable investment objective. For further information on sustainability-related aspects (such as the integration of sustainability risk), please refer to the fund's prospectus and the website [here](#). The decision to invest in the fund should take into account all the characteristics and objectives of the fund as described in the prospectus and website.