C8/Green Blue ‘Good Governance’ US Equity L/S Certificate 2027

Monthly Report
February 2022

Performance Data

	Certificate*	HFRX Equity Hedge*
December 2021	-0.58%	0.34%
Inception to date	2.77%	14.01%

Key Certificate Data as of 28 February 2022

Price	1’027.712
AUM in certificate	USD 6.8 million

Monthly Commentary

The ‘Good Governance’ certificate was steadily recovering from January’s sell-off but was hit once again as energy prices spiked following the Russian invasion of Ukraine. The certificate ended down 0.6% on the month.

We noted last month, that, both in and out of sample, there is only one equivalent drawdown, in Dec 2010 – Jan 2011, when there was a drop of 12.2%. We also noted that these losses proved only temporary and were fully recovered within 4 months. However, these remain difficult times for an ESG L/S strategy given the risks of the world’s 2nd largest gas and 3rd largest oil producer being excluded from the world energy market.

Importantly however, these ESG-related risks are balanced by many examples since 2007, where the ‘Good Governance’ portfolio of US stocks significantly outperforms during periods of financial market stress, as investment flows seek the safe haven of well-governed stocks. Whilst any long-term premia can have demanding periods, we remain convinced that ‘Good Governance’ will continue to perform over time.

Investment Objectives

C8/Green Blue US ‘Good Governance’ Equity L/S Certificate is a Luxembourg asset-based Fiduciary Certificate. The objective of the Certificate is to capture the outperformance of better governed companies within the S&P 500 universe over a full business cycle while limiting the market exposure to 40% of capital. To achieve its objective the certificate has a long exposure to a basket of companies that rank in the top 100 in terms of governance within the S&P 500 universe, based on a proprietary systematic model, and a short to the S&P 500 universe. The weighting of the long portfolio is obtained through the market-neutralization of the common risk premia factors.

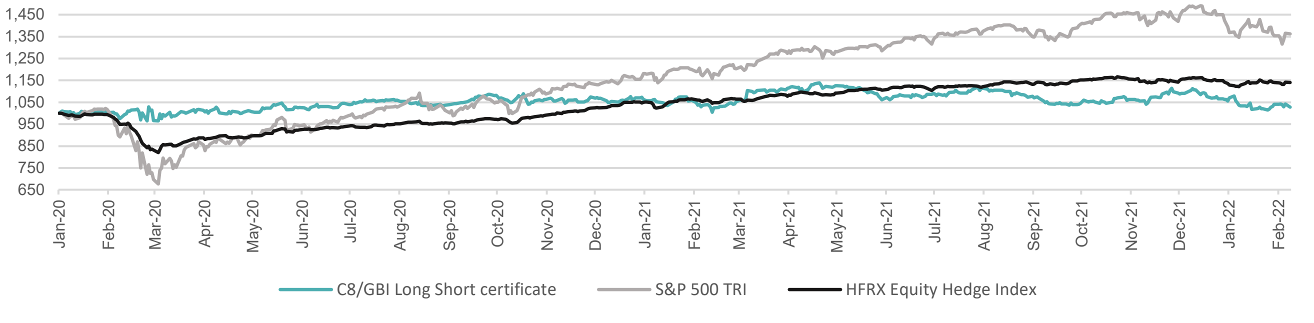
Certificate Information

Issuer/Fiduciary	Aldburg SA
Principal Paying Agent	Citibank NA, London
Calculation Agent	Cirdan Capital Management, London
ISIN	XS2101399314
Clearing	Euroclear/ Clearstream Luxembourg
Currency	USD
Min. Initial Subscription	USD 125’000
Liquidity	Daily/ intraday
Listing	Frankfurt Stock Exchange
Management fee	1%
Performance fee	10% above HWM
Inception Date	21 January 2020

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	C8/GBI US Equity L/S certificate	-6.59%	-0.58%											-7.13%
	HFRX Equity Hedge	-2.12%	0.34%											-2.12%
2021	C8/GBI US Equity L/S certificate	-0.37%	-1.34%	5.79%	0.19%	1.73%	-3.19%	1.12%	0.97%	-5.53%	0.70%	-0.96%	6.30%	4.95%
	HFRX Equity Hedge	-1.04%	2.84%	0.87%	2.99%	0.85%	1.16%	0.46%	1.34%	-0.51%	2.16%	-1.20%	1.70%	12.14%
2020	C8/GBI US Equity L/S certificate*	-0.81%**	-1.64%	0.74%	1.91%	2.13%	1.69%	1.43%	-0.68%	0.15%	0.02%	1.64%	-1.17%	5.44%
	HFRX Equity Hedge	-1.37%**	-3.83%	-9.58%	4.49%	1.22%	2.21%	0.82%	2.71%	0.02%	-0.54%	4.59%	3.60%	3.50%

** First trading day: 21 January 2020*

NAV



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Green Blue Invest is a Swiss-based advisory firm dedicated to identifying the best solutions in impact and ESG investing. The stock selection of the long side of the portfolio is based on the Stewardship model where governance is measured with a proprietary methodology, which has been developed by Professor Cossin of IMD in Lausanne, Switzerland.

C8 Technologies is a provider of strategic decision support tools and services for the global investment community. They create industry-leading, research-enhanced solutions that clients use to gain insight and improved-transparency across the investment process. C8 has added a factor-weighted equity L/S overlay to the Green Blue's Good Governance portfolio.

Cirdan Capital is a financial boutique, based in London, established in 2014, authorized and regulated by the UK Financial Conduct Authority (FCA).

Aldburg S.A. was set up by Cirdan Capital as a public limited company (société anonyme) organized under Luxembourg Law as sociétés de titrisation. Aldburg can create segregated compartments and can issue certificates linked to such compartments under its €5bio Asset-Based Security master programme.