

BITA iClima Circular and Shared Economy Index USD



September 2023

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: BITA iClima Circular and Shared Economy Index

Index URL:
<https://www.bitadata.com/pages/BILESS>

Inception Date: September 2022

Number of holdings: 46

Asset Class: Equities

Eligible Universe: BILESS NR USD Index

Weighting: Equal weight

Index Provider: BITA GmbH

Rebalance Frequency: Quarterly

Bloomberg Ticker: BILESS

ISIN: DE000A3DV0D6

Currency: USD

Base Value/Base Date:
20 Sep 2019, set at 867.87

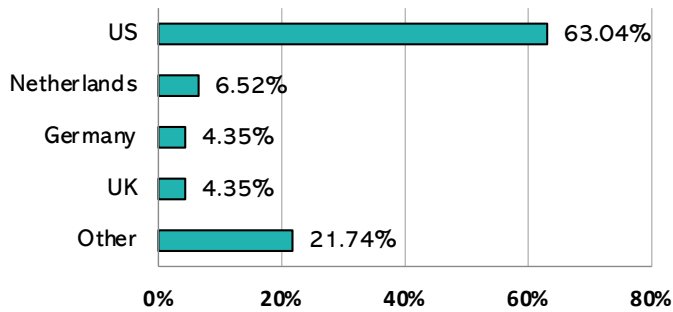
The **BITA iClima Circular and Shared Economy Index** provides exposure to companies with innovative solutions and technologies that are enabling the transition towards a circular economy. Supported by progressive policymaking and consumer preferences, these companies stand to gain from higher margins; translating into growth in sales for the companies represented in the universe of this index

Why BITA iClima Circular and Shared Economy Index ?

We created the **BITA iClima Circular and Shared Economy Index** in September 2022 to represent the universe of securities with the most innovative proven and emerging technologies that are disrupt the linear economy and accelerate our transition towards a more sustainable, resource-efficient circular economy.

- 1. Resource Consumption accounts for 45% of the total GHG emissions:** While the supply of energy, and its consumption in buildings and transport, together generate 55% of global GHG emissions, the remaining 45% are directly linked to the production of goods and the management of land. Coupled with the transition towards a low-carbon economy, shifting away from a linear economy and toward a circular could reduce global greenhouse gas (GHG) emissions by 39% and virgin resource utilization by 28%, allowing us to meet the Paris Agreement's targets.
- 2. An untapped USD 4.5 trillion economic opportunity :** More efficient resource usage would boost the world economy by \$2 trillion per year by 2050. The Circular economy transition presents an untapped economic opportunity of USD4.5 trillion, with the current market penetration of circular business models at only 5-10%
- 3. Policy and consumers triggering tailwinds :** We believe that a hypergrowth of effective circular economy systems change will be driven by a triumvirate of heightened customer provocation, urgent and progressive policymaking, and transformative action by businesses. Innovation and circular thinking will continue to be driven by progressive policymaking and customers' rising demands for sustainable products and ethical business practices. The implementation of Extender Producer Responsibility and rapid adoption of shared economy models, the move to plant-based diets, and consumer activism due to the perception of poor environmental policies are merely evidence of these tailwinds.

Exposure and Characteristics



TOTAL Capitalization \$373,289 Million

% of Index

Large cap 17.39% Small Cap 15.22%
Mid Cap 23.91% Micro Cap 43.28%

Exposure and Characteristics

Security	% Weighted
Uber Technologies, Inc.	7.68%
Airbnb Inc. Class "A"	7.39%
Etsy, Inc.	7.1%
Pinduoduo Inc.	6.48%
Koninklijke DSM N.V..	6.37%
Lyft Class "A"	5.19%
Darling Ingredients Inc.	5.04%
DocuSign, Inc.	4.64%
Trex Company, Inc.	4.55%
Ingredion Incorporated	4.45%
Total	58.89%

Sector Breakdown



Reuse

28.52%



Reduce

37.04%



Recycle

18.03%



Redesign

14.22%

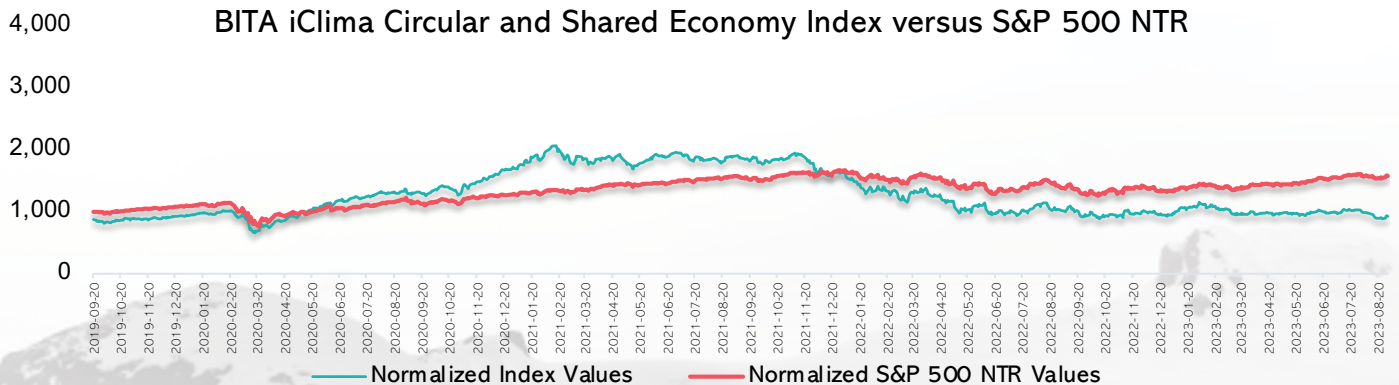


Regenerative

2.19%

Index Performance 20th September 2019 to 31st August 2023

BITA iClima Circular and Shared Economy Index versus S&P 500 NTR



BITA iClima Circular and Shared Economy Index

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	15.80%	-5.50%	-4.94%	-2.77%	-3.59%	5.76%	4.15%	-9.71%					-1.65%
2022	-14.83%	-2.48%	-2.17%	-11.82%	-6.02%	-13.04%	9.06%	-0.66%	-9.62%	1.72%	5.50%	-5.36%	-41.77%
2021	7.37%	0.06%	-2.22%	4.78%	-3.04%	6.65%	-6.50%	2.83%	-4.50%	2.66%	-5.76%	-6.41%	-4.43%
2020	2.93%	-4.46%	-13.00%	17.12%	16.10%	10.47%	7.87%	3.55%	-0.75%	-3.91%	19.95%	11.87%	83.73%
2019										2.58%	3.28%	3.10%	6.37%

Methodology

iClima's methodology for company selection is guided by a triangulation of the firm's data-based methodology, the Ellen MacArthur Foundation, and the EU Taxonomy standards by the Platform on Sustainable Finance. Based on the Ellen MacArthur Foundation and the EU Green Taxonomy principles as mentioned above, iClima has classified the constituents by 5 pillars, namely Reduce, Reuse, Recycle, Redesign and Regenerative and 12 sub-segments enabling a circular economy by companies who make a significant impact on the reduction of CO₂e levels, do no significant harm to other environmental objectives, comply with minimum social safeguards, and comply with the firm's technical screening criteria.

The Circular and Shared Economy Solutions

The Circular and Shared Economy Solutions are informed by the '5Rs' central and a comprehensive list of 12 segments defined according to products and services that support transition to a circular economy for both the biological and technical sectors as defined by the Ellen Macarthur Foundation.



REUSE: Solutions represented by **Asset Sharing & Optimisations** and **Transportation Solutions** that offer access to products or commodity through a shared/rental platform model; creating sustainable alternatives, waste minimization, and resource efficiency maximisation.

Examples include: Exchange platforms such as accommodation, rental products, pre-owned items and micro-mobility.



REDUCE: Solutions such as Sustainable Food Enablers, **Food Production & Distribution** and **Plant-Based Alternatives** that avoid from creating waste in the first place.

Examples include: Biotechnology solutions, Sustainable natural ingredients, Deep-tech, Agriculture technology (AgTech), Controlled environment agriculture and Plant-based foods.



RECYCLE: represent solutions such as **Recycled Products**, **Recycled Processes** and **Battery Recycling** that enable increased recycling and reclamation rates through technology and equipment.

Examples include: Wood-alternatives, Recyclable packaging material, Bio-plastic, Battery recycling.



REDESIGN: represent solutions in **Fashion & Hygiene** and **Sustainable New Ways** that are driving a systemic change through product-design and transforming how conventional products are produced or consumed.

Examples include: Sustainable footwear and apparel, Industrial packaging, Battery-swapping refuelling platform, Digital and Electronic Platforms.



REGENERATIVE: represents solutions such as **Anaerobic Digestion** and **Synthetic Fuels** that convert food-waste into renewable energy and fossil-fuel alternatives.

Examples include: Biomass Renewable Energy, Bio-Based Diesel, Sustainable Aviation Fuels (SAFs).

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