



Investment Rationale

- By 2030, water demand could exceed supply by 40% thanks to population growth, urbanization, and climate change, plunging half of the world into critical water stress.
- There's consequently an urgent need to bring in new techniques to rein in water usage (notably smart irrigation in agriculture) and to upgrade an ageing infrastructure to prevent leaks. The US alone announced close to \$100bn in water infrastructure investments.
- Longer term, as supply issues persist, water recycling and desalination should become major alternative supply sources.
- Water and ocean preservation is also core in the environment discussion, with plastic pollution starting to be addressed and the shipping industry on track to make its electric transition.

Certificate Details

NAV	113.7
ISIN	DE000US778A6
Currency	USD
Type	Active Equity
Issuer / Rating	Kepler - UBS / S&P A+
Inception Date	01.07.2021
Number of Holdings	24
Liquidity	Daily
Management fees	1.6% (incl. 0.3% UBS)
Performance fees	15% (HWM)

Investment Universe

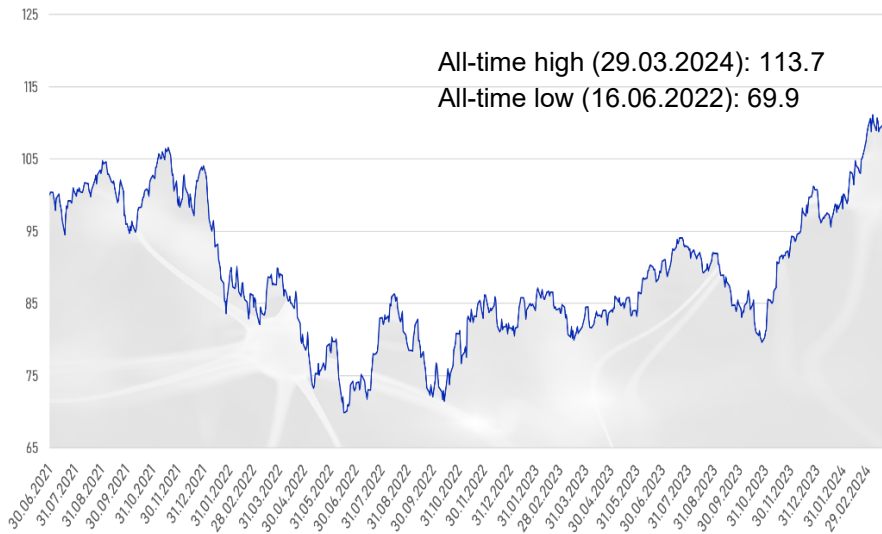


March Report

- The Aqua certificate gained 4.9% in March, outperforming the MSCI AC World by 1.7%.
- Our "Water Tech" segment, formed by water treatment, desalination and liquid cooling specialists continued to drive the performance of the Aqua certificate which recorded another new all-time high last month.
- Another illustration of the increasingly strategic nature of water, the threat of cyberattacks on water and wastewater systems in the US is coming back under the spotlight. The Biden administration recently warned states about an increase of hacking activity linked to the governments of Iran and China. The hacker groups are either directly targeting the drinking water systems or their information technology infrastructure.
- According to the just released UN World Water Development Report, about 2.2 billion people are lacking access to clean drinking water. Without surprise, the United Nations is warning that water scarcity will be a major vector of conflicts and geopolitical instability in the future. At least 10% of global migration is currently linked to water stress, a proportion that is expected to rise in the coming years.
- The report estimates that it would cost about \$114 billion annually to provide safe drinking water to the hardest hit regions/countries around the world.
- Rising capex levels are almost secured for the next decade.



Performance



	2021	2022	2023	2024
Jan		-15.3%	4.8%	-2.5%
Feb		-2.3%	-1.4%	10.5%
Mar		2.9%	0.2%	4.9%
Apr		-10.4%	-0.8%	
May		-1.1%	-0.7%	
Jun		-6.6%	9.1%	
Jul	0.6%	13.2%	2.2%	
Aug	2.4%	-4.5%	-1.0%	
Sep	-6.8%	-9.0%	-7.5%	
Oct	6.5%	12.1%	-4.6%	
Nov	-2.6%	5.6%	14.9%	
Dec	4.5%	-4.3%	8.0%	
Annual	4.0%	-21.6%	23.4%	12.9%

Top Contributors

Vertiv (VRT US)
Nomura Micro Science (6254 JP)
Pentair (PNR US)

Worst Contributors

Consolidated Water (CWCO US)
Itron (ITRI US)
Stantec (STN US)

Risk

Beta vs. MSCI AC World	1.1
Correlation vs. MSCI AC World	0.9
Realized Volatility (Annualized)	20%
Cash Allocation	0%

Portfolio Structure

Top Holdings

Ferguson (FERG US)
Mueller Industries (MLI US)
Vertiv Holdings (VRT US)

Top 5 Currencies

USD	82%
EUR	5%
TWD	5%
CHF	4%
JPY	4%

Market Cap Breakdown [USD]

Mega (> 200bn)	0%
Large (10bn to 200bn)	59%
Medium (2bn to 10bn)	33%
Small (300mln to 2bn)	8%
Micro (50mln to 300mln)	0%

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